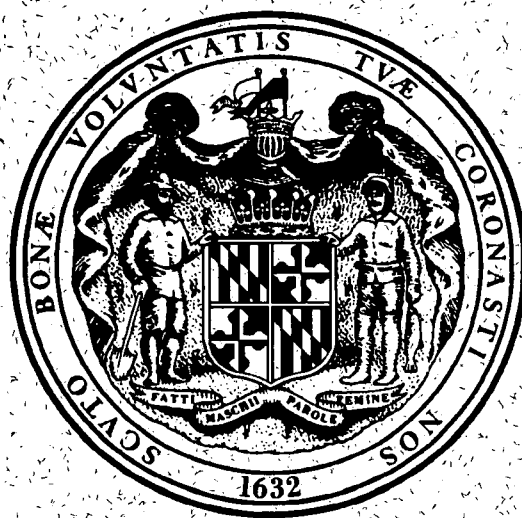


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**REPORT OF THE
TASK FORCE
ON
FUNDING FOR THE
MARYLAND SCHOOL FOR THE DEAF**

INTERIM 1996

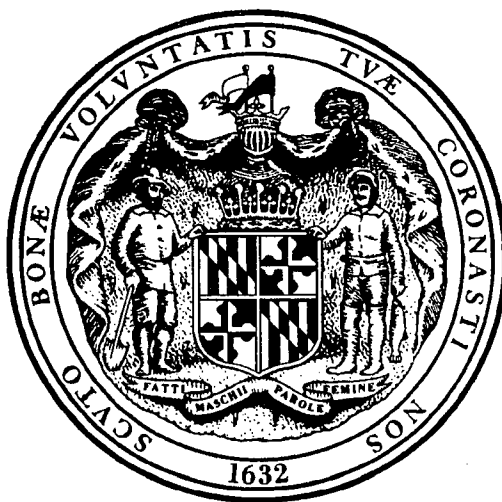


ANNAPOLIS, MARYLAND

December 1996

***REPORT OF THE
TASK FORCE
ON
FUNDING FOR THE
MARYLAND SCHOOL FOR THE DEAF***

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ANNAPOLIS, MARYLAND

December 1996

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GENERAL ASSEMBLY OF MARYLAND

ANNAPOLIS, MARYLAND 21401

December 16, 1996

Honorable Parris N. Glendening, Governor of Maryland
Honorable Thomas V. Mike Miller, Jr., President of the Senate
Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates
Honorable Members of the General Assembly

The Task Force on Funding for the Maryland School for the Deaf respectfully submits its report for your consideration. The task force was created pursuant to Joint Resolution 4 of the 1996 Session to examine the funding sources for the Maryland School for the Deaf (MSD) and to develop a funding proposal that would maintain the quality and comprehensiveness of MSD's educational programs.

The task force convened in August and held seven meetings during the 1996 interim at which time the members gathered facts and examined numerous funding proposals. In October, the task force formed a small work group comprised of representatives from the Maryland State Department of Education (MSDE) and the Maryland School for the Deaf to address unresolved issues related to the task force's charge. This small work group developed a proposed agreement between MSDE and MSD to address the issues of adequate funding for MSD and the role of MSD in the State's continuum of public education services. The task force has reviewed the work group's proposal and has developed final recommendations for your consideration.

After reviewing numerous funding options, the task force recommends a funding formula for the Maryland School for the Deaf which is consistent with the funding of the public schools in Maryland. Based on current estimates, the Governor would be required to include modest annual increases of two to three percent for the Maryland School for the Deaf in the budget submitted to the General Assembly. To reduce disruptions during the school year, the task force recommends an exemption for MSD from mid-year appropriation reductions. In addition, the task force urges MSD, MSDE, and the local education agencies to develop stronger communications to address the issues of student transportation, residential services, and health care. Finally, the task force recommends that MSD establish an enhanced program to serve deaf and hard of hearing students who have other moderate or severe disabilities and that MSD and MSDE establish a funding mechanism to provide additional resources to serve this population.

Honorable Parris N. Glendening, Governor of Maryland
Honorable Thomas V. Mike Miller, Jr., President of the Senate
Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates
Honorable Members of the General Assembly
December 16, 1996
Page 2

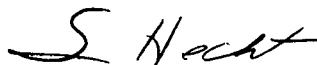
The enclosed report provides greater specificity concerning the findings and recommendations of the task force and includes supporting documentation. Draft legislation, which embodies the recommendations of the task force, is included in an appendix. This legislation will be introduced by Delegates Hecht and Snodgrass in the House and Senators Kasemeyer and Derr in the Senate on behalf of the task force.

As co-chairmen, we would like to thank the dedicated individuals who served as members of this task force for their energy and commitment. We believe these recommendations will greatly enhance the State of Maryland's delivery of educational services to deaf and hard of hearing children and youth.

Sincerely,



Senator Edward J. Kasemeyer
Co-Chairman



Delegate Sue Hecht
Co-Chairman

EJK:SH/TMB/brd

**Maryland General Assembly
Task Force on Funding for the
Maryland School for the Deaf
1996 Interim
Membership Roster**

Senator Edward Kasemeyer, **Co-Chairman**
Delegate Sue Hecht, **Co-Chairman**
Senator John Derr
Delegate Louise Snodgrass

Representative from the Department of Budget and Management:

Ms. T. Eloise Foster

Representative from the State Department of Education:

Mr. Raymond H. Brown

Representative from the Maryland School for the Deaf:

Mr. James E. Tucker

Representative from the Governor's Office:

Ms. Patricia D. Bowman

Three Members of the Public:

Ms. Maureen Curran Livingston
Mr. Lindsay Dunn
Ms. Florence C. Vold

Staff

Paul O. Ballou
Tina M. Bjarekull

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Executive Summary

The Task Force on Funding for the Maryland School for the Deaf (MSD) held seven meetings during the 1996 interim. Consistent with its charge, the task force conducted an examination of the following issues related to MSD:

- The role of MSD in the State's continuum of public education services.
- MSD's admissions policy and enrollment demographics.
- The funding of MSD in relation to the funding of local school systems and the impact of the level of funding on the services provided by MSD.

As a result of its examination the task force makes the following recommendations, all of which are embodied in an agreement between MSD and the Maryland State Department of Education (MSDE) (Appendix 1) and are reflected in a draft bill included in this report (Appendix 2).

Governing Structure of MSD

The task force finds that MSDE and MSD do not have a formalized process for sharing information and resources. The task force recommends that MSD confer with MSDE prior to submitting its annual budget request to the Governor and that MSDE have the opportunity to submit comments on the MSD budget to the Department of Budget and Management. In addition, the task force believes that services to deaf children could be enhanced by better

communication between MSD and the local school boards.

The task force recommends that MSD and the local school systems enter into a dialog to discuss issues of student transportation, residential services, and health services. The task force encourages MSDE to assist MSD in establishing this dialog and developing agreements between the local school districts and MSD. The task force believes that stronger communication between MSD, MSDE, and the local school districts could enhance MSD's role in the State's continuum of educational services.

Admissions Policy and MSD's Enrollment

The task force finds that MSD is limited in its ability to provide educational services to deaf students with special needs due to limited resources. At the same time, the task force believes that MSD might provide the best educational opportunity for certain deaf students with special needs if MSD had the resources to address those special needs. Therefore, the task force recommends that MSD establish an enhanced program to serve deaf or hard of hearing students who have other moderate or severe disabilities and whose Individual Education Plans (IEP's) can be implemented at MSD. In addition, the task force recommends that MSD and MSDE establish a funding mechanism that provides additional resources to serve these special education students consistent with the State's policy for funding nonpublic special education placements.

Fiscal Analysis of MSD Expenditures and Funding

The task force concludes that, as an institution of public education, MSD's funding should be consistent with the funding of the public schools so that MSD can maintain educational resources that are on par with the resources provided to the local school districts. Thus, the task force finds that a mandated funding formula that links increases in MSD appropriations with the increases in the funding of public education is appropriate and that any such formula should reflect changes in the student population at MSD.

Proposed Funding Formula

The task force proposes a mandated funding formula that provides for inflationary adjustments in the cost of public education, reflects changes in student enrollment, and considers the fiscal constraints facing future State budgets. Specifically, the task force recommends that the formula adopted be based 75 percent on increases in the per pupil foundation under the current expense State aid formula and enrollment growth, and 25 percent solely on enrollment growth. The task force also recommends that mandated adjustments for enrollment reflect 20 percent of the change in the four year moving average of MSD student enrollment. This adjustment will soften the impact of increases and decreases in student population. Finally, it is a recommendation of the task force that, as an institution of public education, the mandated appropriation proposed by the task force not be subject to mid-year reductions. The proposed formula would result in

projected appropriation increases ranging from 1.5 percent to 2.9 percent or from \$225,000 to \$465,000 per year through fiscal 2003. The mandated funding formula proposed by the task force is intended to provide a minimum level of funding to maintain existing programs.

Access to Out-of-State Educational Centers for the Deaf

The task force heard public testimony in support of House Bill 791 of the 1996 session and was asked to consider the issues raised in the bill. While the bill did not pass, the Senate Budget and Taxation Committee referred the issue to interim study. The task force requests that MSDE and MSD review the proposal and prepare a recommendation for the Governor and the General Assembly for consideration during the 1997 session.

Report of the Task Force on Funding for the Maryland School for the Deaf

Introduction

The Task Force on Funding for the Maryland School for the Deaf was created pursuant to Joint Resolution 4 (see Appendix 3) of the 1996 session. This resolution called for the creation of a ten member task force to include the following: (1) two members of the House of Delegates appointed by the Speaker of the House; (2) two members of the Senate appointed by the President of the Senate; (3) a representative of the Department of Budget and Management; (4) a representative of the Maryland State Department of Education (MSDE); (5) a representative of the Maryland School for the Deaf (MSD); (6) a representative of the Governor's Office; and (7) two members of the general public familiar with MSD. With the concurrence of the co-chairmen, the Governor appointed a third public member who works at a higher education institution serving deaf students. The following statements from the resolution provide legislative insight into the charge of the task force.

- The Maryland School for the Deaf provides essential service for deaf children in the State.
- The budget allowance for the Maryland School for the Deaf for fiscal year 1997 increased by 1.7 percent over the previous fiscal year while the increase for public schools in general was 5.5 percent.
- Funding should be adequate and consistent with the growth in student enrollment.
- The Maryland School for the Deaf should receive fair and equitable funding consistent with other public schools in the State.
- Educational programs and other services to Maryland School for the Deaf students should not be reduced or disrupted during the school year as a result of mid-year appropriation reductions.

In order to fulfill its charge the task force held seven meetings. The dates of task force meetings and a brief summary of the material reviewed at each meeting is presented below.

August 19 - At the first meeting, the task force reviewed a ten year history of MSD appropriations and enrollment and examined the distribution of

expenditures and sources of funding. The task force also reviewed a ten year history of State aid to education and compared growth rates in MSD funding and aid to education.

September 6 - The task force examined MSD's utilization of resources and considered prior proposals to establish programs to serve severely profoundly handicapped and severely emotionally disturbed children. The task force also received an overview of education funding in Maryland, including a detailed examination of the current expense aid formula. The meeting concluded with an examination of seven options for increasing MSD's funding.

September 19 - The task force held a public hearing. At the hearing the task force received testimony from the chairman of MSD's board of trustees, faculty and staff of MSD, a representative of MSD's student body, and parents of MSD students all of whom supported additional funding, mandated appropriations, and protection from mid year budget cuts. The task force also reviewed the written testimony of local school districts and heard testimony from a representative of the Prince George's county deaf education program. The local school districts encouraged the task force to reject any funding option that would require local governments to contribute to the financing of MSD. Finally, Delegate Rudolph requested that the task force consider House Bill 971 from the 1996 session.

September 26 - The task force reviewed MSD's cost per pupil data and the fiscal impact of residential and special needs programs. The task force considered the impact of mid-year budget cuts on MSD's delivery of services. In addition, the task force received an overview of the State's budgetary outlook.

October 7 - The task force reviewed MSD's role in the State's educational continuum and its relationship with the Maryland State Department of Education. MSD's admissions policy was reviewed and the task force considered possibilities for increasing the types of students served. The task force examined the results of a survey of per pupil costs and student demographics of schools for the deaf in other states. Finally, the task force reviewed MSD's fiscal 1998 unfunded budget request.

October 28 - MSDE provided testimony identifying areas of overlap between the goals of MSDE and MSD. A work group was established to develop a proposal that would be beneficial to both agencies and would help each agency achieve its long term goals.

December 6 - The task force received the recommendations of the work group and made findings and policy recommendations.

History and Governance of the Maryland School for the Deaf

The Maryland Asylum for the Deaf and Dumb was created by Chapter 247 of the Laws of 1867. This act provided that the asylum be governed by a Board of Visitors of the Asylum. The governing board was authorized to purchase, hold, sell, or dispose of property and receive donations for the benefit of the asylum. The board was charged with educating all deaf and dumb persons that were sent to the asylum free of charge. Initial funding was established through a \$25,000 appropriation for capital construction and an annual operating appropriation of \$5,000. While the law authorizes MSD to derive funding from other sources (contributions, grants, etc.), it does not provide specific funding sources and is largely silent with respect to the funding of MSD except to vest authority for determining funding levels with the Governor and General Assembly. Legislation materially affecting MSD since its creation is summarized below:

- Chapter 462 of the Laws of 1968 added a new subtitle, “School for the Deaf”, to the Maryland Code. This act also created the Columbia campus of the Maryland School for the Deaf (MSD). Funding for the Columbia campus was provided by requiring the Governor to include the necessary amounts in the capital construction and operating budget bills to create the school.
- Statutory authority for MSD was codified by Chapter 22 of the Laws of 1978 as part of the newly created Education Article. No significant changes were made to the governance or funding of MSD by this act.
- Chapter 493 of the Laws of 1992 replaced the Board of Visitors with the Board of Trustees. The board consists of 19 members appointed by the Governor. Further, the law requires that the board consist of at least one member from each geographic region in the State and requires that at least six members must be deaf. The act also required the board of trustees to establish an admissions policy.
- Chapter 473 of the Laws of 1993 required the Secretary of the Department of Personnel (now Budget and Management) to establish a uniform pay plan for teachers and professional staff at MSD based on the review of teachers salaries in Frederick and Howard counties. It was the intent of the General Assembly that the salaries of teachers and professional staff at MSD be adequate to recruit and retain personnel. It is estimated that additional appropriations of \$385,000 would be required to fully fund the pay plan in fiscal 1998.

In summary, State law vests responsibility in the Board of Trustees for establishing admission policies and educational programs and allocating resources for

the delivery of services. While the board submits a proposed budget to the Governor, actual appropriations are at the discretion of the Governor and the General Assembly.

Findings/Conclusions

Maryland law affords the Board of Trustees considerable autonomy in the oversight and operation of MSD. The task force recommends no change to MSD's governance structure; however, the task force finds that MSDE and MSD do not have a formalized process for sharing information and resources. The task force recommends that MSD confer with MSDE prior to submitting its annual budget request to the Governor and that MSDE have the opportunity to submit comments on the MSD budget to the Department of Budget and Management.

In addition, the task force believes that educational services provided to deaf children could be enhanced by better communication between MSD and the local school systems. The task force recommends MSD and local school systems develop a dialog to discuss issues of student transportation, residential services, and health services. The task force encourages MSDE to assist MSD in establishing this dialog and in developing agreements between the local school districts and MSD. The task force believes that stronger communication between MSD, MSDE, and the local school districts could enhance MSD's role in the State's continuum of educational services.

Admissions Policy and MSD Enrollment

MSD Student Population and Enrollment Trends

In fiscal 1996 MSD provided educational services for 59 percent (377 of 640 students) of the deaf students in Maryland. As indicated in Exhibit 1 of Appendix 4 the remaining 263 deaf students received educational services from local school districts. One hundred fifty seven, or 60 percent, of the 263 remaining students are being educated within the public schools in Montgomery County (107 students) and Prince George's County (50 students).

The MSD student population increased from 367 in fiscal 1989 to an estimated 405 in fiscal 1997. These student population counts reflect one-half of a full-time equivalent student for each client in the family education/early intervention program. The FE/FI program primarily provides deaf, pre-kindergarten children and their parents or guardians with communication training. These services may be provided in the client's home. Clients in this program are counted as one-half of a full-time

equivalent student because they do not require the level of resources, including instructional time, as students attending the K-12 educational programs.

Future MSD student populations could be affected by the migration of deaf students to or from the public school systems or changes in the FE/FI program. However, because the task force did not have reliable information to project such changes, funding options considered by the task force assumed that future MSD student populations would grow at a rate consistent with the growth in public school student populations.

Review of MSD's Admission Policy

Chapter 493 of 1992 required the Board of Trustees to adopt written standards for the admission of students. A copy of the MSD admissions policy is attached as Appendix 5. The policy identifies three categories of educational services as follows: (1) the family education/early intervention program (FE/EI); (2) the MSD essential curriculum program; and (3) the deaf students with special needs program (DSN). In general, the FE/EI program provides services to students less than four years of age. The essential curriculum and DSN programs serve students between the ages of four and twenty-one.

The policy establishes admissions criteria for each of the three programs and identifies circumstances and conditions that make an applicant ineligible for enrollment. To determine eligibility, MSD reviews the student's Individual Education Plan (IEP) which identifies the special needs of each applicant. MSD then determines if it can provide all of the services required, by law, for the applicant. Although MSD has historically served students for whom deafness is the primary disability, the school has attempted at various times to implement programs for children with additional moderate to severe disabilities. However, MSD has been unsuccessful in obtaining the funding needed for such enhanced programs.

MSD's admissions criteria is addressed in a letter received from the State Superintendent of Schools dated October 3, 1996. (A copy of this letter is included as Appendix 6.) Specifically, the Maryland State Department of Education suggested that MSD's admission criteria be broadened to benefit students with other disabilities in conjunction with hearing impairments.

Findings/Recommendations

The task force recognizes that the additional costs associated with educating students with multiple disabilities are difficult to generalize because each student may require differing amounts and types of additional services. Ultimately, the costs

associated with a student can only be estimated based on the resources required by the student's IEP. The task force finds that, because of limited resources, MSD is limited in its ability to provide educational services to deaf students with special needs. At the same time, the task force believes that MSD might provide the best educational opportunity for certain deaf students with special needs if MSD had the resources to address those special needs. Therefore, the task force recommends that MSD establish an enhanced program to serve deaf or hard of hearing students who have other moderate or severe disabilities and whose IEPs can be implemented at MSD. In addition, the task force recommends that MSD and MSDE establish a funding mechanism that provides additional financial resources to serve these students whose IEPs demand services that are currently outside the resources generally provided by MSD. This funding mechanism should be consistent with the State's policy for funding nonpublic special education placements.

Access to Out-of-State Educational Centers for the Deaf

The task force considered House Bill 971 from the 1996 session. This bill was passed by the House of Delegates and referred to summer study by the Senate Budget and Taxation Committee. The bill provides that any Maryland student who lives more than 50 miles from MSD and qualifies as a residential student at MSD may attend a school for the deaf in an adjoining state. The State of Maryland would assume the costs associated with the out-of-state placement except that the costs could not exceed the approved residential cost of attending the Maryland School for the Deaf. All other costs, if any, would be the responsibility of the school system in which the student resides.

Findings/Recommendations

The task force requests that the Maryland State Department of Education (MSDE) and the Maryland School for the Deaf (MSD) review the proposal concerning access to out-of-state educational centers for the deaf and prepare a recommendation for the Governor and the General Assembly in time for consideration during the 1997 legislative session. The task force recommends that MSDE and MSD seek input from local educational agencies (LEAs) and consider the following issues: (1) the well being of the children and the families involved; (2) the incremental cost of educating a student at MSD; (3) the fiscal implications on the State and the LEAs; and (4) the State's policy concerning other special education programs.

MSD Expenditures and the Funding of Public Education in Maryland

MSD Budgetary History

MSD appropriations increased 18 percent from \$12.2 million in fiscal 1988 to \$14.3 million in fiscal 1997 (see Appendix 4). Funding actually decreased in the early 1990's due to the economic recession's impact on the State budget. Consequently, spending per pupil decreased from \$39,383 in fiscal 1990 to \$32,850 in fiscal 1994. Spending of \$33,720 per pupil in fiscal 1997 represents a modest increase over fiscal 1994.

Growth in MSD appropriations has been adversely impacted by the State's fiscal constraints (ie. slow revenue growth in relation to the growth in mandated expenditures and entitlement programs). The deputy secretary of the Department of Budget and Management provided the task force with a summary of the State's budgetary outlook. The summary indicated that the State's fiscal resources would be constrained through fiscal 1998. This summary is included as Appendix 7.

The distribution of the fiscal 1997 appropriation between the Frederick and Columbia campuses as well as between expenditures for administrative services, instructional services, dietary services, and facility maintenance is included as Exhibit 3 of Appendix 4. Approximately 77 percent of spending is to provide instructional services, 14 percent for facility maintenance, and the remaining 9 percent is split between administrative and dietary services. The exhibit also shows that MSD is 97 percent funded by State general funds, 2 percent federal funds, and the remainder special funds.

Per Pupil Costs

The task force examined MSD's costs based on the type of services provided such as instruction, nursing, speech therapy, physical therapy, and counseling (see Appendix 8). The analysis showed that the core curriculum program for a hearing impaired student with no additional special needs costs an average of \$27,621 per student. The residential program requires \$7,624 per student in additional spending and special services such as physical therapy and counseling require additional expenditures of \$4,535 per student annually. Finally, MSD spends an average of \$12,972 for each client in the FE/EI program.

Comparison of MSD and State Sponsored Deaf Schools in Other States

The task force reviewed funding of schools for the deaf in other states. (See Appendix 9 for a summary of the results of a telephone survey of neighboring states.) All of the states surveyed provide financial support to deaf schools serving state students. In two of the six states surveyed, local contributions were required. Local governments provide 20 percent of the funding in Pennsylvania, and in Virginia local governments make payments of between \$1,000 and \$3,000 per student enrolled at the school. Finally, in both Connecticut and Pennsylvania additional funds are provided for the education of multi-disabled or emotionally disturbed students attending deaf schools.

Per pupil expenditures at schools for the deaf in other states ranged from a low of \$32,039 at the Texas School for the Deaf to a high of \$43,825 at the Scranton School for the Deaf in Pennsylvania. Average per pupil expenditures were \$37,838 (see Appendix 10). In relation to state median household incomes, Maryland had the lowest per pupil cost of \$34,182 compared to a median household income of \$41,041. All schools surveyed provided services to students with multiple handicaps and offered residential programs.

Review of Public Education Funding in Maryland

Primary and secondary education in Maryland is funded 56.4 percent through the appropriations of local governments, 39.6 percent through State aid, and 4 percent through federal funds. In order to address disparities in resources and students with special needs, the majority of State and federal funding is distributed through purposefully designed formulas or is targeted to specific programs. The majority of State aid to education is mandated, ie. the law requires the Governor to include a predetermined appropriation in the budget. Further, the law prohibits the mid-year reduction of mandated appropriations for public education.

The State funds education through over 30 different programs; however, one program - the current expense formula - is used to distribute 62 percent of State education aid. The formula distributes relatively more aid to counties with relatively less wealth and, conversely, relatively less aid to counties with relatively more wealth. The formula guarantees a minimum funding level per pupil (referred to as the foundation). Under the law the minimum foundation increases each year based on per pupil spending in previous years. As a result, local school systems are guaranteed annual increases in per pupil current expense aid. In order to be eligible for increases in current expense education aid, local governments are required to "maintain effort". Maintenance of effort requires local governments to fund education programs by an amount that is no less than the funding provided in the

prior year on a per pupil basis (see Appendix 11 for a discussion of the funding of public education in Maryland).

The majority (99 percent) of students with disabilities are educated in the local school systems; however, the local school systems are unable to provide special education services for certain students. Approximately 1,000 students receive educational services through State operated programs (MSD, Maryland School for the Blind, Department of Juvenile Justice, Catonsville Education Center, etc.). Approximately 2,900 students require services that are not available through the public schools or State facilities. Students receiving services from nonpublic providers are referred to as nonpublic placements.

The costs of nonpublic placements vary significantly depending upon the students IEP requirements. If a child is placed in a nonpublic day or residential program, the local school systems and the State share the cost of the placement. The counties are responsible for the local share of basic costs of educating a nonhandicapped child plus 200 percent of total basic costs. In fiscal 1996 this base amount ranged from \$9,715 for Caroline County to \$17,423 for Montgomery County. Any costs above the base are shared between the State and local school systems on an 80 percent State/20 percent local basis. Option 6 of Appendix 12 provides a county-by-county listing of the local base contribution for nonpublic placements.

Comparison of MSD Funding and Public Education Funding

Over the past ten years, support for the local school systems has increased at a greater rate than State support for MSD (See Appendix 4). State aid for the public schools increased from \$1.3 billion in fiscal 1988 to \$2.2 billion in fiscal 1997 or 71 percent. Some of this growth resulted from increases in public school enrollment. On a per pupil basis State education aid per pupil grew from \$1,980 in fiscal 1988 to \$2,834 in fiscal 1997, an increase of 43 percent. Over this same period MSD spending increased 18 percent in the aggregate and 10 percent on a per pupil basis. As shown by Exhibits 7 and 8 of Appendix 4, increases in State support for MSD and the public schools were comparable through fiscal 1991. In subsequent years funding for MSD either decreased or remained relatively constant, whereas State support for the public schools continued to increase.

Findings/Conclusion

The task force finds that the costs of providing educational services at MSD are generally comparable to, if not lower than, costs at schools for the deaf in other states. As an institution of public education, the task force concludes that MSD's funding should be consistent with funding for the public schools. Growth in funding

for MSD should be comparable to increases in support for the local public schools so that MSD can maintain educational resources that are on par with the resources provided to the local school districts. As with most funding for the public schools, MSD should be guaranteed a minimum funding level through a formula that reflects growth in State and local support for the public schools and growth in MSD enrollment. Just as local school systems may request additional funding beyond the required county maintenance of effort amount, MSD should have the option to request additional appropriations beyond the guaranteed minimum. Finally, consistent with aid for the public schools, the task force finds that MSD should not be subjected to mid-year reductions in appropriations.

Analysis of Funding Options

The task force reviewed nine funding proposals. Seven of the nine options apply different growth factors and adjust for changes in student population. The growth factors used to adjust the appropriation were: (1) the Implicit Price Deflator for State and Local Government; (2) growth in the current expense appropriation; and (3) growth in the per pupil foundation of the current expense formula. Projected appropriations based on each of the nine funding alternatives are presented in Appendix 12. In general the options resulted in projected appropriation increases between 2 percent and 5 percent annually.

Two other funding alternatives were examined: (1) requiring a contribution from local governments for students attending MSD; and (2) providing an increase in the MSD appropriations based on specified funding requirements. Option 6 of Appendix 12 provides an estimate of the revenues generated by requiring a local contribution equivalent to the local share of the foundation under the current expense formula and a local contribution equivalent to the local share of the cost for nonpublic placements. Specifically, requiring a local contribution in an amount equal to the local share of the foundation would generate revenue of \$622,672 while requiring a local contribution similar to that required for nonpublic placements would increase revenue by \$4.7 million. Finally, the task force considered another option providing an immediate increase in appropriations to fund the teacher pay plan and certain initiatives included in MSD's fiscal 1998 budget request (see Option 7 of Appendix 12).

Findings/Conclusions

After examining these funding options, the task force recommends an approach that provides for inflationary adjustments in the cost of public education, reflects changes in student enrollment, and considers the fiscal constraints facing future State budgets. Specifically, the task force recommends that a funding formula be implemented that provides a mandated appropriation to MSD equal to the prior

year's appropriation with adjustments based on State aid provided to local school districts through the current expense formula and changes in student enrollment at MSD. The task force finds the growth in the per pupil foundation under the current expense formula to be the most appropriate indicator of increases in State support for the public schools. The formula accounts for 62 percent of State aid per pupil and the foundation increases by law each year based on funding for the public schools in previous years.

In order to reflect increases in the per pupil foundation and the maintenance of effort requirement that local governments are subject to, the task force recommends that the formula adopted be based 75 percent on increases in the per pupil foundation and enrollment growth, and 25 percent solely on enrollment growth (ie. 25 percent of appropriation growth mirrors the local requirement to maintain funding for the public schools on a per pupil basis). This modification automatically provides MSD with mandatory appropriation increases equal to 75 percent of the increase in per pupil funding provided through the current expense formula. The task force also recommends that mandated adjustments for enrollment reflect 20 percent of the change in the four year moving average of MSD student enrollment. This adjustment will soften the impact of increases and decreases in student population. The projected impact of this formula on MSD's appropriations is illustrated in the following table. This estimate assumes that MSD's appropriations will increase by \$300,000 in fiscal 1998. The funding formula would be effective for fiscal 1999.

Exhibit 1
Projected Impact of Proposed Funding Formula

Fiscal Year	75% Growth in Per Pupil Foundation	25% Maintenance of Effort	Total	% Increase
1998			\$14,563,408	
1999	\$11,317,393	\$3,655,489	\$14,972,881	2.8%
2000	\$11,454,321	\$3,750,596	\$15,204,917	1.5%
2001	\$11,762,987	\$3,806,792	\$15,569,779	2.4%
2002	\$12,125,943	\$3,894,330	\$16,021,272	2.9%
2003	\$12,466,553	\$4,014,993	\$16,481,545	2.9%

As the table shows, the mandated funding formula proposed by the task force is projected to increase MSD's appropriations by \$409,473 from fiscal 1998 to 1999

and to provide for appropriation increases ranging from 1.5 percent to 2.9 percent over the next five years. This projection does not reflect additional funding that MSD could receive through the normal budgetary process.

The task force does not support mandated increases in MSD appropriations for specific projects or needs. The task force believes that initiative specific increases to MSD's budget should continue to be reviewed by the Governor and General Assembly on a case by case basis and that the funding of such initiatives should continue to be at the discretion of the Governor and General Assembly. In other words, MSD should continue to have the ability to request additional funding but such increases should not be mandated.

Appendix 1

AGREEMENT BETWEEN MARYLAND SCHOOL FOR THE DEAF AND MARYLAND STATE DEPARTMENT OF EDUCATION

ACT OF INCORPORATION (1867) and EDUCATION ARTICLE, SECTION 8-304

Provisions in the Act of Incorporation (Chapter 247 of the Acts of the General Assembly of 1867) and Education Article, Section 8-304 of the Annotated Code of Maryland (see attached) will be left intact.

RELATIONSHIP BETWEEN MARYLAND SCHOOL FOR THE DEAF AND MARYLAND STATE DEPARTMENT OF EDUCATION

The following provisions will be incorporated in Title 8, Subtitle 3 of the Education Article of the Annotated Code of Maryland:

- MSDE will conduct monitoring activities with respect to MSD in accordance with a written agreement between MSD and MSDE.
- The agreement shall address:
 - a. MSDE's review of the annual budget approved by the MSD Board
 - b. MSD services to deaf students with other moderate and severe disabilities, including criteria for the admission of such students into MSD programs
 - c. Other monitoring activities as required by federal or state law
 - d. MSDE will have the opportunity to confer with MSD regarding issues of deaf education.

MSD FUNDING

A funding formula for MSD (Option 8a) and the following provisions will be incorporated in Title 8, Subtitle 3 of the Education Article of the Annotated Code of Maryland:

- Beginning in fiscal year 1999, MSD's appropriation will be calculated by 1) adjusting 75% (Mandated Portion) of the prior year appropriation by the change in student enrollment and by the change in the Current Expense per-pupil foundation, and 2) adjusting 25% (Maintenance of Effort Portion) of the prior year appropriation by the change in student enrollment only. (See attached Option 8a Formula Projection based on increasing student enrollment and decreasing student enrollment.)
- Student enrollment will be based on a 4-year average.
- Student enrollment will be weighted by a factor of 0.2.
- MSD's budget allowance and appropriation will be mandated by law.
- MSD will have the option to submit unfunded requests to the Governor.
- MSD's budget cannot be reduced by the Governor as part of mid-year State cost containment measures. The following language would be included in a preamble to the bill "Whereas, the Maryland School for the Deaf shall be considered to be a public school in the event of a reduction of appropriations by the Governor and the General Assembly."

FISCAL ISSUES

BUDGETS

- The Maryland School for the Deaf (MSD) will confer with the Maryland State Department of Education (MSDE) prior to submitting its annual operating budget requests and proposals for capital projects.
- MSD will submit its annual operating budget requests and proposals for capital projects to MSDE in a format mutually agreed to by MSD and MSDE. In the absence of an agreement, MSD will submit its annual operating budget and proposals for capital projects to MSDE in a format consistent with the requirements of the Department of Budget and Management (DBAM). MSD will submit its annual operating budget requests and proposals for capital projects to MSDE and DBAM on or before August 31 of the preceding fiscal year for the next fiscal year.
- MSDE will review the annual operating budget requests and proposals for capital projects submitted by MSD. MSDE will submit to DBAM on or before October 1 of the preceding fiscal year for the next fiscal year comments regarding the annual operating budget requests and proposals for capital projects submitted by MSD. MSDE will confer with MSD prior to submission of its comments to DBAM and will provide MSD with a copy of the comments.
- MSDE will participate in MSD's budget hearing with the Governor.

- MSDE and MSD will keep each other fully informed regarding discussions with DBAM and others regarding the annual operating budget requests and proposals for capital projects submitted by MSD.
- MSD will provide MSDE with a copy of the Legislative Analyst's recommendations and issues report for MSD and MSD's response to the report.
- MSD will keep MSDE informed of Legislative Budget Committee recommendations regarding its allowance.
- MSDE may participate in MSD's budget hearings with the Legislative Budget Committees.

REPORTS

- MSD will furnish MSDE with a quarterly expenditure report. This report which will be cumulative will be due 30 days after September 30, December 31, and March 31.
- No later than September 30 after the close of each fiscal year, MSD will submit an Annual Financial Report, prescribed by MSDE, to MSDE.

PROGRAMMATIC ISSUES

- Students must be Deaf and/or Hard of Hearing as defined by MSD's Admissions Criteria.
- MSD provides an educational setting. The MSD Board of Trustees establishes admissions policy for all programs at MSD.
- Admissions will be based on the ability of MSD to implement the student's IEP. The MSD Board of Trustees has determined at this time that MSD cannot implement IEPs for students requiring:
 - a. 24 hour medical care;
 - b. 24 hour psychiatric treatment (including but not limited to treatment for arson tendencies, psychosis, sociopathy, chronic substance abuse, danger to self or others);
 - c. aggression control programs (including but not limited to treatment for dangerous behavior to self or others, severe inappropriate sexual behavior, severe acting out, conduct disorder).
- MSD will establish an Enhanced Program in addition to its present programs. A supplemental funding formula based on the non-public funding model will be developed consistent with Section 8-409 and Section 8-417.3 of the Education Article. The Enhanced Program will serve Deaf and/or Hard of Hearing students who have other moderate to severe disabilities and whose IEPs can be implemented at MSD.


- MSDE will assist MSD in establishing written agreements with all Local School Systems regarding mutual roles and responsibilities in the provision of services, including transportation.
- MSDE will assist in the development of State Interagency agreements for the provision of supplemental (non-educational) services for students such as residential programming, transportation, health services, mental health services, etc.

LEGISLATIVE PROCESS

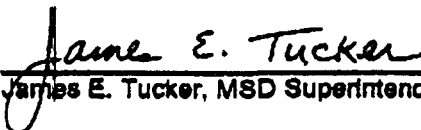
MSD and MSDE together will actively support the passage of the Task Force recommended legislation. MSD and MSDE are committed to the proposal in its entirety. If any part of the proposal is deleted or negatively altered through the legislative process, the agreement between MSD and MSDE will be subject to renegotiation.

For Maryland State Department of Education:


Dr. Nancy Grasmick, State Superintendent

 3 1996
Date

For Maryland School for the Deaf:


James E. Tucker, MSD Superintendent

Nov. 21, 1996
Date

Appendix 2

DRAFT

TASK FORCE ON FUNDING FOR THE MARYLAND SCHOOL FOR THE DEAF

AN ACT concerning

MARYLAND SCHOOL FOR THE DEAF - FUNDING & SERVICES

FOR the purpose of requiring a minimum level of funding and budget stability for the Maryland School for the Deaf; requiring the School and the Department of Education to enter into a certain agreement for certain purposes, and generally relating to the Maryland School for the Deaf and education.

Article - Education

BY adding

8-309.1

BY repealing and enacting with amendments.

Article - State Finance and Procurement
Section 7-213(b)

BY repealing and reenacting with amendments.

8-307

Preamble

WHEREAS, The Maryland School for the Deaf provides an essential service for deaf children in the State; and

WHEREAS, A minimum level of funding is necessary to cover the costs of inflation and enrollment growth and to ensure adequate maintenance of the School's existing programs; and

WHEREAS, Education programs and other services to the School's students should not be reduced or disrupted during the school year as a result of mid-year appropriation reductions; and

WHEREAS, There is a need for educational services in Maryland for deaf students with moderate to severe disabilities; and

WHEREAS, The Department has monitoring responsibilities for the programs provided by the school; now therefore,

Article - Education

SECTION I. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article - Education

8-307

(a) Under § 2-206 of this article, the Maryland School for the Deaf and the Maryland School for the Blind shall keep the State Board fully informed as to the educational program and administrative policies of the schools under their jurisdiction.

(b) DEPARTMENT MONITORING (1) THE DEPARTMENT SHALL CONDUCT ANNUAL MONITORING ACTIVITIES WITH RESPECT TO THE SCHOOL IN ACCORDANCE WITH A WRITTEN AGREEMENT BETWEEN THE DEPARTMENT AND THE SCHOOL.

(2) THE AGREEMENT SHALL ADDRESS (i) THE DEPARTMENT'S REVIEW OF THE ANNUAL BUDGET APPROVED BY THE BOARD OF THE SCHOOL; (ii) THE SCHOOL'S SERVICES TO DEAF STUDENTS WITH OTHER DISABILITIES, INCLUDING CRITERIA FOR THE INCLUSION OF SUCH STUDENTS IN TO SCHOOL'S PROGRAMS, (iii) OTHER MONITORING ACTIVITIES AS REQUIRED BY FEDERAL OR STATE LAW.

8-309.1

IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(a) Definitions

- (1) "Four-year average annual full time equivalent enrollment" means:
 - (i) The average number of students enrolled annually in grades pre-kindergarten through grade 12 of the School during four consecutive school years as determined by dividing the aggregate monthly enrollment during the four-year period by the number of months school is in session during the four-year period; and
 - (ii) One half the average number of children served annually by the School's early intervention program during four consecutive school years as determined by dividing the program's aggregate monthly enrollment during the four-year period by the number of months school is in session during

the four-year period.

- (2) "Weighted enrollment growth" means the product of 0.2 times the change in the four-year average annual full-time equivalent enrollment from the 3rd through the 6th prior school years to the 2nd through the 5th prior school years divided by the four-year average annual full-time equivalent enrollment from the 3rd through the 6th prior school years.
- (3) "Per pupil basic current expense figure" means the figure calculated for each fiscal year by the Maryland State Department of Education in accordance with §5-202 of this Article.
- (4) "Growth in the per pupil basic current expense figure" means the change in the per pupil basic current expense figure from the prior fiscal year to the current fiscal year divided by the per pupil basic current expense figure from the prior fiscal year.

(b) The School shall receive an appropriation equal to or greater than:

- (1) The prior year appropriation multiplied by 0.75 multiplied by the weighted enrollment growth plus one and multiplied by the growth in the per pupil basic current expense foundation plus one; and
- (2) The prior year appropriation multiplied by 0.25 multiplied by the weighted enrollment growth plus one.

(c) (1) A program of enhanced services for deaf students with other moderate to severe disabilities shall be operated by the school.

(2) A description of the program shall be included in the written agreement entered into by the school and MSDE in accordance with §8-307 of this Article.

(3) The costs of serving students under the program shall be paid by the state and the county in which the child is domiciled in accordance with §8-417.3(d) of this Article.

ARTICLE - STATE FINANCE AND PROCUREMENT

Section 7-213

(a) Exclusions. (1) The Governor may not reduce an appropriation to the legislative Branch or the Judicial Branch of the State Government.

(2) The Governor may not reduce an appropriation for:

- (i) payment of the principal of or interest on the State debt;
- (ii) public schools, INCLUDING THE MARYLAND SCHOOL FOR THE DEAF; or
- (iii) the salary of a public officer, during the term of office.

(3) Except as provided in §6-109 of the State Personnel Article, the Governor may not reduce an appropriation for the salary of any employee in the

classified service or unclassified service.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect on July 1, 1997.

jgg/senatebill

Appendix 3

SENATE JOINT RESOLUTION 8

F1

6lr2763

By: **Senator Derr (Frederick County Delegation)**

Introduced and read first time: February 16, 1996

Assigned to: Rules

Re-referred to: Budget and Taxation, February 26, 1996

Committee Report: Favorable

Senate action: Adopted

Read second time: March 21, 1996

RESOLUTION NO. _____

SENATE JOINT RESOLUTION

1 A Senate Joint Resolution concerning

2 **Task Force on Funding for the Maryland School for the Deaf**

3 FOR the purpose of creating a Task Force on Funding for the Maryland School for the
4 Deaf; and providing for the membership of the Task Force.

5 WHEREAS, The Maryland School for the Deaf provides an essential service for
6 deaf children in this State; and

7 WHEREAS, The budget allowance for the Maryland School for the Deaf for fiscal
8 year 1997 increased by 1.7% over the previous fiscal year while the increase for public
9 schools in general was 5.5%; and

10 WHEREAS, Funding should be adequate and consistent with the growth in student
11 enrollment; and

12 WHEREAS, The Maryland School for the Deaf should receive fair and equitable
13 funding consistent with other public schools in this State; and

14 WHEREAS, Educational programs and other services to Maryland School for the
15 Deaf students should not be reduced or disrupted during the school year as a result of
16 mid-year appropriation reductions; now, therefore, be it

17 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, There shall be
18 a Task Force on Funding for the Maryland School for the Deaf to examine funding
19 sources to help maintain the quality and comprehensiveness of educational programs and
20 other services offered by the Maryland School for the Deaf; and be it further

21 RESOLVED, That the Task Force be composed of 10 members as follows:

EXPLANATION:

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken by amendment.



SENATE JOINT RESOLUTION 8

1 (1) Two members of the House of Delegates of Maryland, appointed by the
2 Speaker of the House, one of whom shall be designated by the Speaker as Co-Chairman
3 of the Task Force;

4 (2) Two members of the Senate of Maryland, appointed by the President of
5 the Senate, one of whom shall be designated by the President of the Senate as
6 Co-Chairman of the Task Force; and

7 (3) The following members appointed by the Governor:

8 (i) A representative of the Department of Budget and Fiscal
9 Planning;

10 (ii) A representative of the State Department of Education;

11 (iii) A representative of the Maryland School for the Deaf; and

12 (iv) A representative of the Governor's Office; and

13 (v) Two members of the general public familiar with the Maryland
14 School for the Deaf; and be it further

15 RESOLVED, That the Task Force report its findings and recommendations to the
16 Governor and, in accordance with § 2-1312 of the State Government Article, to the
17 General Assembly by October 15, 1996, and be it further

18 RESOLVED, That a copy of this Resolution be forwarded by the Department of
19 Legislative Reference to the Honorable Parris N. Glendening, Governor of Maryland; the
20 Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the
21 Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates.

Approved:

President of the Senate.

Speaker of the House of Delegates.

Appendix 4

Exhibit 1
Maryland Special Education Students by Disability

	Total Special Education	Mental Retardation	Hearing Impaired	Deaf	Speech/ Language	Visually Impaired	Emotion- ally Disturbed	Orthope- dically Impaired	Other Health Impaired	Specific Learning Disabilities	Multiple Disabilities	Deaf/ Blind	Autism	Traumatic Brain Injury
Total State	100,863	6,504	778	640	31,668	427	6,737	649	3,652	43,482	5,385	29	697	215
Allegany	1,516	172	3	7	422	1	47	8	57	755	43	0	0	1
Anne Arundel	9,576	380	63	15	2,644	24	671	32	386	4,744	509	1	78	29
Baltimore City	17,444	2,224	116	23	5,908	87	1,539	133	499	6,421	287	0	167	40
Baltimore County	12,282	714	98	24	4,484	31	696	31	245	5,303	508	2	121	25
Calvert	1,545	92	8	1	401	6	84	3	27	868	51	0	3	1
Caroline	809	49	3	0	259	2	19	2	2	447	21	0	5	0
Carroll	3,384	133	19	1	1,438	18	101	22	136	1,281	207	1	18	9
Cecil	2,224	124	15	3	531	3	65	13	38	1,375	50	0	1	6
Charles	2,637	271	26	2	655	9	183	8	63	1,312	94	1	5	8
Dorchester	693	78	6	1	210	4	21	2	8	316	42	0	3	2
Frederick	4,056	112	26	14	1,210	12	187	19	267	2,010	163	1	26	9
Garrett	727	39	9	0	246	2	97	3	4	308	17	1	0	1
Harford	4,474	277	27	1	1,402	17	217	26	316	2,086	84	0	13	8
Howard	4,116	181	27	3	1,460	15	262	47	310	1,552	184	1	64	10
Kent	340	16	3	1	95	2	3	4	16	186	12	0	0	2
Montgomery	13,442	383	130	107	4,610	65	1,178	67	279	4,768	1,759	1	74	21
Prince George's	11,922	568	144	50	3,260	52	1,016	176	681	4,934	919	7	90	25
Queen Anne's	797	17	7	1	103	2	26	6	26	582	24	0	3	0
St. Mary's	1,876	148	14	2	553	8	84	14	44	966	34	0	3	6
Somerset	397	43	1	0	106	2	2	2	3	232	4	0	1	1
Talbot	556	61	4	0	197	5	19	4	6	250	8	0	1	1
Washington	2,865	149	19	1	776	13	69	18	159	1,538	110	0	9	4
Wicomico	1,571	182	9	6	403	7	31	5	64	761	91	2	10	0
Worcester	693	84	1	0	294	4	2	4	15	269	14	0	2	4
Total Local Education Agencies	99,942	6,497	778	263	31,667	391	6,619	649	3,651	43,264	5,235	18	697	213
Dept. of Juvenile Justice	240	4	0	0	1	0	66	0	0	160	9	0	0	0
Prisons	90	2	0	0	0	0	12	0	1	58	15	0	0	2
Holly Center	12	1	0	0	0	0	0	0	0	0	11	0	0	0
Catonsville Education Center	40	0	0	0	0	0	40	0	0	0	0	0	0	0
Maryland School for the Blind	162	0	0	0	0	36	0	0	0	0	115	11	0	0
Maryland School for the Deaf	377	0	0	377	0	0	0	0	0	0	0	0	0	0
Total State Operated Programs	921	7	0	377	1	36	118	0	1	218	150	11	0	2

Exhibit 2

Maryland School for the Deaf Student Enrollment* by County and Extent of Disability

32

	Frederick Campus			Columbia Campus			Combined Campus		
	Deaf Only	DSN	Total	Deaf Only	DSN	Total	Deaf Only	DSN	Total
Allegany	2	0	2	0	1	1	2	1	3
Anne Arundel	11	1	12	11	7	18	22	8	30
Baltimore City	21	2	23	11	12	23	32	14	46
Baltimore County	24	2	26	16	7	23	40	9	49
Calvert	0	0	0	0	0	0	0	0	0
Caroline	1	0	1	0	0	0	1	0	1
Carroll	7	2	9	2	0	2	9	2	11
Cecil	1	0	1	1	1	2	2	1	3
Charles	1	0	1	0	0	0	1	0	1
Dorchester	2	1	3	0	1	1	2	2	4
Frederick	78	2	80	0	3	3	78	5	83
Garrett	3	0	3	0	0	0	3	0	3
Harford	4	0	4	2	1	3	6	1	7
Howard	11	0	11	7	5	12	18	5	23
Kent	1	0	1	0	0	0	1	0	1
Montgomery	36	1	37	1	4	5	37	5	42
Prince George's	8	5	13	2	7	9	10	12	22
Queen Anne's	0	0	0	0	0	0	0	0	0
St. Mary's	2	0	2	1	1	2	3	1	4
Somerset	2	0	2	1	0	1	3	0	3
Talbot	1	0	1	0	0	0	1	0	1
Washington	23	0	23	0	2	2	23	2	25
Wicomico	3	0	3	1	0	3	4	2	6
Worcester	2	0	2	0	2	0	2	0	2
Total	244	16	260	56	54	110	300	70	370

* Enrollment figures as of 10/95 (Do not include 0-3 year olds - approximately 50 full time equivalent students)

Note: DSN - Deaf Students with Special Needs

Source: Maryland State Department of Education

Exhibit 3
SELECTED FY 1997 BUDGET DATA

	Total	% of Total	Frederick Campus	% of Total	Columbia Campus	% of Total
Number of Positions	295.5		201.5		94	
Number of Students *	423		279		144	
Appropriation	\$14,263,408		\$9,597,822		\$4,665,586	
Salaries	12,512,338	87.7%	8,480,592	88.4%	4,031,746	86.4%
Fuel/Utilities	599,437	4.2%	326,510	3.4%	272,927	5.8%
Supplies	462,123	3.2%	335,360	3.5%	126,763	2.7%
Vehicle and Travel	73,856	0.5%	59,694	0.6%	14,162	0.3%
Contractual Services	230,031	1.6%	149,383	1.6%	80,648	1.7%
Technical and Special Fees	155,472	1.1%	88,679	0.9%	66,793	1.4%
Grants	44,952	0.3%	44,952	0.5%	0	0.0%
Communication	71,800	0.5%	44,000	0.5%	27,800	0.6%
All other	113,399	0.8%	68,652	0.7%	44,747	1.0%
Appropriation	\$14,263,408		\$9,597,822		\$4,665,586	
General Funds	13,868,482	97.2%	9,349,164	97.4%	4,519,318	96.9%
Special Funds	71,426	0.5%	57,908	0.6%	13,518	0.3%
Federal Funds	323,500	2.3%	190,750	2.0%	132,750	2.8%
Appropriation	\$14,263,408		\$9,597,822		\$4,665,586	
General Administration	646,494	4.5%	614,217	6.4%	32,277	0.7%
Instruction	10,931,415	76.6%	7,165,510	74.7%	3,765,905	80.7%
Dietary Services	655,039	4.6%	465,185	4.8%	189,854	4.1%
Facility Operation and Maintenance	2,030,460	14.2%	1,352,910	14.1%	677,550	14.5%

* Estimate of enrollment from Governor's budget submission, actual enrollment revised down to 405 students.

Source: Department of Fiscal Services August 1996

Exhibit 4

Maryland School for the Deaf

Ten year history of appropriations, enrollment and expenditure per student

Fiscal Year	Total Appropriation	% Change	Number of Students	% Change	Expenditure per Student	% Change
1988	\$12,158,049		398		\$30,548	
1989	\$12,950,659	6.5%	367	-7.8%	\$35,288	15.5%
1990	\$14,138,364	9.2%	359	-2.2%	\$39,383	11.6%
1991	\$13,894,507	-1.7%	369	2.8%	\$37,654	-4.4%
1992	\$12,737,470	-8.3%	376	1.9%	\$33,876	-10.0%
1993	\$12,636,524	-0.8%	375	-0.3%	\$33,697	-0.5%
1994	\$13,008,460	2.9%	396	5.6%	\$32,850	-2.5%
1995	\$13,638,245	4.8%	407	2.8%	\$33,509	2.0%
1996	\$14,026,711	2.8%	415	2.0%	\$33,799	0.9%
1997	\$14,263,408	1.7%	423	1.9%	\$33,720	-0.2%

Prepared by the Department of Fiscal Services August 1996

Exhibit 5

Ten Year Summary of Enrollment, State Aid, and Expenditures

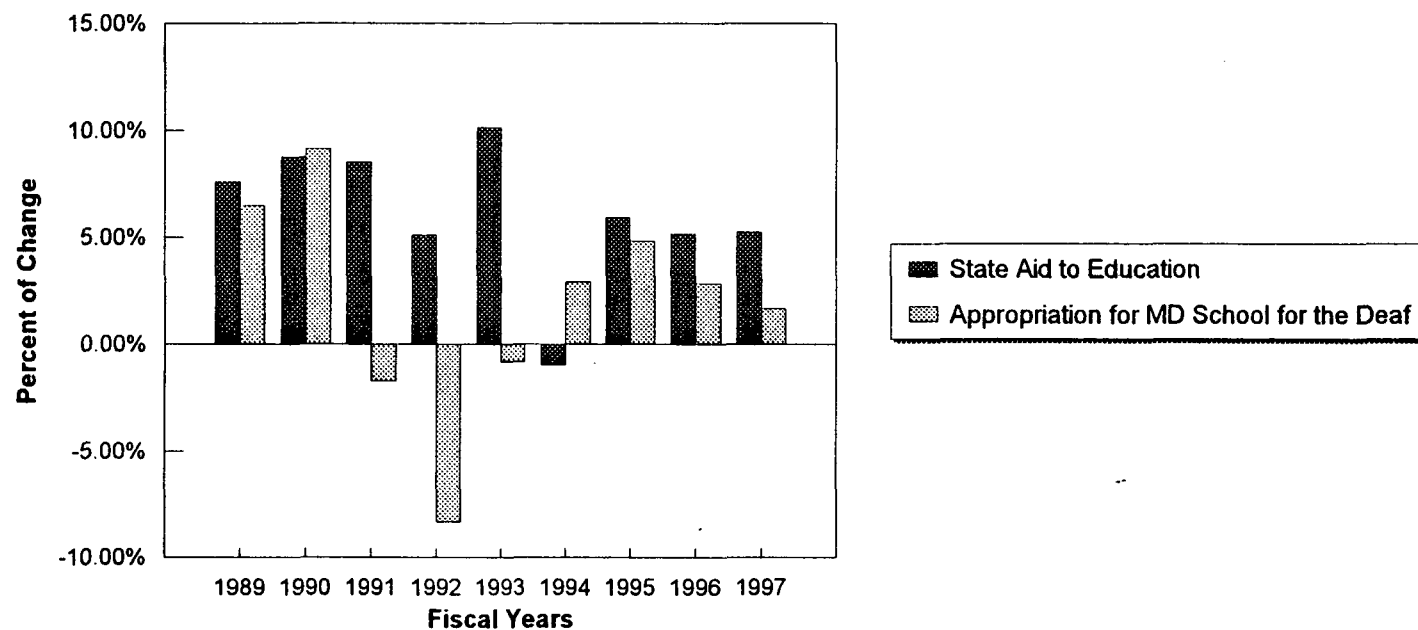
Primary Secondary Education
(millions of dollars)

Fiscal Year	Full Time Equivalent Enrollment	% Change	Current Expense Formula	% Change	Total Education Aid	% Change	Aid per Pupil	% Change
1988	647,012		\$613.1		\$1,280.9		\$1,979.7	
1989	651,180	0.6%	\$666.5	8.7%	\$1,378.7	7.6%	\$2,117.2	6.9%
1990	659,315	1.2%	\$726.5	9.0%	\$1,499.6	8.8%	\$2,274.5	7.4%
1991	672,264	2.0%	\$794.5	9.4%	\$1,627.8	8.5%	\$2,421.4	6.5%
1992	691,881	2.9%	\$878.0	10.5%	\$1,711.2	5.1%	\$2,473.3	2.1%
1993	705,814	2.0%	\$1,051.0	19.7%	\$1,885.0	10.2%	\$2,670.7	8.0%
1994	722,994	2.4%	\$1,139.1	8.4%	\$1,867.3	-0.9%	\$2,582.7	-3.3%
1995	740,704	2.4%	\$1,222.1	7.3%	\$1,978.6	6.0%	\$2,671.2	3.4%
1996	754,929	1.9%	\$1,286.0	5.2%	\$2,081.3	5.2%	\$2,756.9	3.2%
1997	773,161	2.4%	\$1,356.8	5.5%	\$2,190.9	5.3%	\$2,833.7	2.8%

35

Exhibit 6

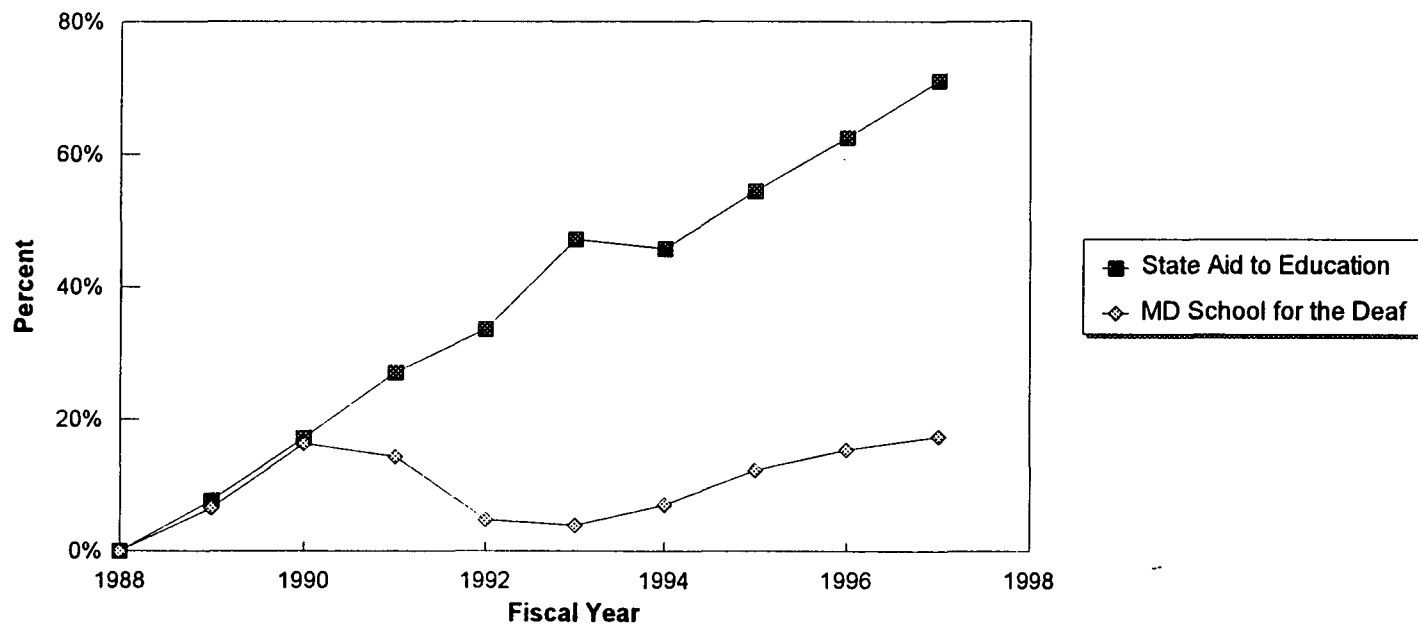
Annual Percentage Changes in State Aid to Education and Appropriations for the Maryland School for the Deaf



Prepared by the Department of Fiscal Services August 1996

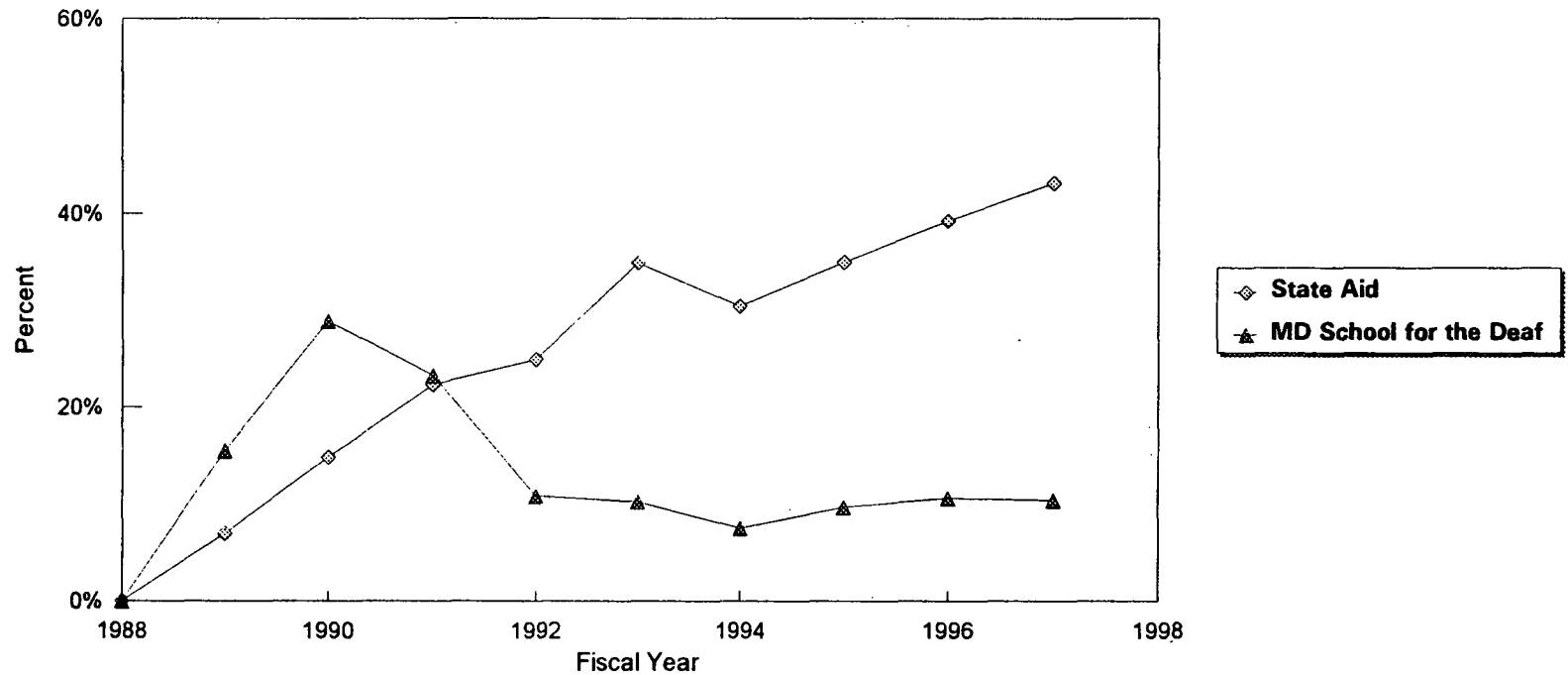
Exhibit 7

Growth in State Aid to Education and Appropriations for the Maryland School for the Deaf



Prepared by the Department of Fiscal Services August 1996

Growth in State Aid Per Pupil and Spending Per Pupil by the Maryland School for the Deaf



Prepared by the Department of Fiscal Services August 1996

APPENDIX 5

ADMISSIONS POLICY - MARYLAND SCHOOL FOR THE DEAF

FREDERICK CAMPUS - COLUMBIA CAMPUS

I. ADMISSIONS POLICY:

A. GENERAL POLICY: Under the direction of the Maryland School for the Deaf (MSD) Board of Trustees, MSD at Frederick and Columbia Campuses provides free, appropriate, public education to Maryland's deaf and hard of hearing children/youth who meet MSD's criteria for admission. MSD also accepts, on a tuition basis, out-of-state deaf and hard of hearing students who meet the admission criteria.

Parents, guardians, and students age 18 years of age or older can apply for admission directly to MSD. Local Educational Agency (LEA) referrals to MSD must follow the procedures outlined below.

B. RESIDENCY REQUIREMENTS:

1. Residence Status: In-State students are given admissions priority. Out-of-State students who are otherwise eligible may be admitted to MSD provided that all eligible In-State students are being served. The enrollment of each Out-of-State student will be approved on an annual basis to ensure priority for In-State students. Out-of-State students enrolled at MSD prior to October 1, 1992 may continue to be enrolled at MSD subject to conditions established for such students prior to October 1, 1992.

2. Tuition: In-State students attend MSD free of charge. Out-of-State students must pay tuition to cover the cost of services provided by MSD. Tuition for Out-of-State students is established annually by the Board of Trustees.

Out-of-State parents, legal guardians, and independent students are encouraged to work with their LEA to obtain assistance with tuition payments. Foreign students who are otherwise eligible and are sponsored by an approved school exchange program may be admitted free of charge.

3. Residence: The following residence requirements apply to admission and tuition for all programs at MSD including the Family Education/Early Intervention Program.

a. In-State Students: In-State students are those who have an established bona fide residence in Maryland. Bona fide residence means one's actual residence, maintained in good faith, and does not include a temporary or superficial residence established for the purpose of free attendance at MSD.

The determination of a student's residence status is a factual one and must be made on an individual basis. MSD shall apply the following criteria in determining whether a student is an In-State student:

- i. A student living with a parent who has an established bona fide residence in Maryland is an In-State student.
- ii. A student who is 18 to 21 years of age and lives independently is an In-State student if he or she is a bona fide resident of Maryland, without regard to the residence of the parents.
- iii. A student living with a court-appointed guardian who has an established bona fide residence in Maryland is an In-State student, provided that the guardianship was obtained for necessary reasons concerning the child and not for the primary purpose of free attendance at MSD.

In the cases of guardianship, the petition and court order for legal guardianship must be provided to MSD prior to admission. MSD will examine the reasons for obtaining guardianship on an individual basis, based on documentation provided by the parent, guardian or independent student. Such documentation includes: statements of health, social services or juvenile services personnel; court records; health records; written, notarized statements from parents, or other documentation which establishes necessary reasons for the guardianship other than free attendance at MSD.

b. Out-of-State Students: A student who does not meet the above criteria for In-State status will be considered an Out-of-State student. Out-of-State students enrolled at MSD prior to October 1, 1992 may continue to be enrolled at MSD subject to conditions established for such students prior to October 1, 1992.

4. Proof of Residence: The burden of demonstrating bona fide residence is on the parent, guardian or independent student. Factors which will be considered and documentation reviewed by MSD in determining bona fide residence include, but are not necessarily limited to:

- * Federal and/or State income tax forms giving Maryland as the home address;
- * A valid Maryland driver's license;
- * Registration of motor vehicles in Maryland;
- * Documentation showing ownership or rental of real property in Maryland;
- * Documentation showing military or diplomatic station in Maryland;
- * Documentation verifying a Maryland payment address for various types of public benefit payments received;
- * Bank account or utility bill statement showing name and Maryland address.

For residents new to the State of Maryland, proof of residence must be provided by the date of the Admission, Review, Dismissal (ARD) meeting or, in the case of admissions to the Deaf Students with Special Needs (DSN) Program, by the date the child starts the three to six

month evaluation service. Failure to provide proof of residence by this time may result in the assessment of tuition.

Students whose families provide appropriate documentation that they plan to establish residence in Maryland during the school year may be enrolled at the beginning of the school year. Out-of-State tuition shall be paid until Maryland residence is established.

The parent, guardian or independent student is required to notify MSD in writing immediately of any changes in residence which would affect the student's residence status.

If inaccurate, false and/or misleading information is presented by the parent, guardian, or independent student, MSD may at its discretion revoke the student's In-State status. In such case, the parent, legal guardian, or independent student shall be required to pay tuition as an Out-of-State admission beginning with the semester for which In-State admission was granted.

5. Procedure for Determining Residence: MSD will review all documents substantiating residence as part of the admissions process. Any cases where residence is in question will be referred to the Residence Status Review Committee. The Superintendent of MSD shall appoint a Residence Status Review Committee of three MSD Administrators. All cases where guardianship have been established and all cases where students live independently will be referred to the Residence Status Review Committee. The Residence Status Review Committee will make a determination of residence status based upon its review of the documentation provided by the parent, legal guardian or independent student. The parent, legal guardian, or independent student shall be advised in writing of MSD's determination of residence status and of the right to appeal that determination as outlined in section 6 below.

6. Appeals: A parent, legal guardian, or independent student may appeal a determination of residence status by filing a written request for reconsideration with the Superintendent of MSD. The request for reconsideration must be filed with the Superintendent within 20 calendar days of notification of residence status. Upon the receipt of the written request, the Superintendent shall review all documentation and issue a written decision within 20 calendar days. The decision of the Superintendent will be final.

C. PROGRAMS: The Maryland School for the Deaf, as an educational agency, views as its fundamental responsibility the provision of long range sequential educational services leading to independence and self-sufficiency of deaf and hard of hearing students by the time of graduation. To fulfill this responsibility, MSD offers three distinct programs which are governed by separate eligibility criteria:

1. Family Education/Early Intervention (FE/EI) Program

Parents or guardians of young deaf or hard of hearing children, age from birth until their fifth birthday, may request services from FE/EI as soon as the child is diagnosed as deaf or hard of hearing. If parents, guardians or interested individuals suspect that a child in this age group may have a hearing loss, they may request consultative services. Services by the MSD FE/EI

Program does not constitute admission to the Pre-Kindergarten - 12th Grade Program at MSD. Any child who will be four on or before December 31st may be evaluated for possible admission to the Pre-Kindergarten - 12th Grade MSD program upon request of the parents/guardians. Participation in FE/EI does not guarantee admission to MSD.

For information, interested families, professionals, and advocates should write to the Director of the Family Education/Early Education Program, Route #108 and Old Montgomery Road, P.O. Box 894, Columbia, Maryland 21044.

2. MSD Essential Curriculum Program

A public school curriculum is offered to Elementary students (Pre-Kindergarten to 5th Grade) at Frederick and Columbia Campuses; Middle School students (6th to 8th Grade) at Frederick Campus and High School students (9th to 12th Grade) at the Frederick Campus.

For admissions information, interested families, professionals, and advocates should write to the Principal of Columbia Campus, Route #108 and Old Montgomery Road, P.O. Box 894, Columbia, Maryland 21044 or the Principal of Frederick Campus, 101 Clarke Place, P.O. Box 250, Frederick, Maryland 21705-0250.

3. Deaf Students with Special Needs (DSN) Program

MSD also recognizes that there are deaf children/youth, who, because of the presence of additional mild disabilities, are unable to satisfactorily thrive in the Essential Curriculum Program. In recognition of this challenge, the Maryland School for the Deaf offers a program for Deaf Students with Special Needs (DSN) to Elementary and Middle School students (Pre-Kindergarten to 8th Grade) at Columbia Campus and High School students (9th to 12th Grade) at Frederick Campus. The primary disability for these children/youth is being deaf or hard of hearing.

For admissions information, interested families, professionals, and advocates should write to the Principal of Columbia Campus, Route #108 and Old Montgomery Road, P.O. Box 894, Columbia, Maryland 21044 or the Principal of Frederick Campus, 101 Clarke Place, P.O. Box 250, Frederick, Maryland 21705-0250.

II. EVALUATION FOR MSD:

A. General Evaluation Procedures: Each applicant for admission to the MSD Essential Curriculum Program or DSN Program must visit MSD with a parent or legal guardian for a complete evaluation before admission. Applicants 18 years of age or older may apply independently. The evaluation may include a personal interview, case history, and audiological, educational, and psychological testing. The results of these assessments determine each applicant's educationally handicapping conditions, recommendations for special educational services, and possible admission to MSD. Each applicant applying for admission to the Maryland School for the Deaf must be evaluated by MSD prior to admission regardless if an evaluation may have been done elsewhere. Assessments will be completed in accordance with the MSD

Procedural Safeguards which include informed parental consent, access to assessment results with assessment explanation, and confidentiality.

The results of all assessments will be shared with the MSD Evaluation Review Team which will determine if the applicant meets the criteria for admission to MSD. If after the initial assessment at MSD, an applicant is determined to have additional handicapping conditions and/or the MSD Evaluation Team is unable to complete all necessary testing, further assessment may be required before an admission decision is reached. This additional assessment may be available through the MSD 3-6 Month Evaluation Process.

B. 3 - 6 Month Evaluation Process: If an applicant is determined to be eligible for the 3-6 month evaluation, the parents or guardians will need to waive the 30 school day limit for completing the evaluation and making judgements about the most appropriate placement for the applicant. Throughout the evaluation period, the applicant's actual educational placement is with the local educational agency (LEA). Parents will sign written permission for MSD to administer tests and other diagnostic instruments to the applicant for the purpose of assessing areas of major need and/or concern. These assessments may include but are not limited to: audiological, educational, psychological, and medical assessments. The parent/guardian also agree to obtain additional evaluation information which may be considered important in assessing the applicant's functioning, such as physical, neurological, psychiatric, and opthalmological examinations. The parents and the LEA will assist MSD in completing needed assessments or examinations.

During the evaluation period, an applicant will participate fully in all school activities. The applicant may also participate in Student Life activities, if appropriate. At the end of the initial 3 months, results of the applicant's 3 - 6 Month Evaluation will be shared with the MSD Evaluation Review Team. The applicant's parents and the LEA will be provided with evaluation results, descriptions of educationally handicapping conditions, and recommended special educational services. At the completion of the initial 3 months and after consideration by the MSD Evaluation Review Team, an applicant may be considered for an additional 3 months evaluation, for admission to MSD, continuation in the LEA program, or referral to another program. After the completion of the second 3-month evaluation period, evaluation results will be reviewed by the MSD Evaluation Review Team and recommendations will be made for admission to MSD, continuation in the LEA program, or referral to another program. An applicant's participation in the 3 - 6 Month Evaluation does not constitute admission to the MSD.

III. CRITERIA FOR ADMISSIONS:

A. Family Education/Early Intervention (FE/EI) Program

1. Factors to be considered for possible services by the FE/EI Program include:
 - a. hearing loss (preference given to sensorineural loss)
 - b. high risk factors due to prematurity/family history/potential progressive loss/etiologies
 - c. developmental delays
 - d. physical disabilities (i.e. CP/birth defects)
 - e. age - from identification to fifth birthday

2. FE/EI Program will not serve:

- a. children who are deaf-blind
- b. autistic children
- c. aphasic children
- d. children whose multiple disabilities override deafness as the primary handicapping condition as defined by P.L. 94-142, or
- e. moderate to profoundly retarded children

For applicants who do not meet the criteria, the FE/EI Program will work cooperatively with the local Infant and Toddler Programs, the LEAs or other service providers to help the parents to locate appropriate services and resources for their child. Each child's strengths and needs will be monitored on an individual basis.

B. MSD Essential Curriculum Program:

1. Age: Applicants between four years of age and twenty years of age on or before December 31 of a given school year are eligible for an admissions evaluation. In addition to age, applicants must demonstrate physical maturity with age appropriate school readiness skills (i.e., independent dressing, feeding, mobility, self-help and hygiene skills, and ability to communicate basic needs) to be eligible for consideration for admission to MSD.

2. Hearing Status: Applicants for admission must have valid audiological testing by a qualified examiner. This testing should indicate a hearing level of 70dB or greater, preference given to applicants with a sensorineural loss. Hard of hearing students will be considered for admission under the following conditions: familial deafness, progressive hearing loss, or educational, psychological, or social difficulties which are sufficient to significantly compromise the understanding of spoken information and require learning primarily through the visual modality.

Applicants not eligible for enrollment include:

- a. Those who are aphasic.
- b. Those who have Central Auditory Processing Disorders.
- c. Those who are hearing/auditory learners.
- d. Those who are mute only.
- e. Those who have diminished hearing level in one ear only.

3. Intellectual Functioning: To be eligible for admission to the Essential Curriculum Program, deaf and hard of hearing applicants must have a performance IQ of 70 or better and have the potential to learn in an educational setting, to acquire American Sign Language, and to acquire the English language primarily through reading and writing. In determining intellectual functioning, other factors may be considered in addition to the applicant's performance on non-verbal measures of cognition and adaptive behavior scales. These may include: the applicant's developmental history, educational history, achievement to date, motor skills, communication ability, and social and emotional maturity.

4. Emotional Handicaps: Deaf and hard of hearing applicants who are "seriously emotionally disturbed" as defined by the Maryland State Department of Education in Code of Maryland Regulations (COMAR) 13A.05.01.02B(12)(h)¹ are not eligible for admission to MSD. According to this definition, a child is seriously emotionally disturbed if he or she exhibits one or more of the following characteristics over a long period of time and to a marked degree, which adversely affects educational performance:

- a. an inability to learn which cannot be explained by intellectual, sensory, or health factors;
- b. an inability to build or maintain satisfactory interpersonal relationships with peers and teachers;
- c. inappropriate types of behavior or feelings under normal circumstances;
- d. a general pervasive mood of unhappiness or depression and;
- e. a tendency to develop physical symptoms or fears associated with personal or school problems."

While it is not unusual for a deaf child with special needs to have an overlay of emotional problems, to be eligible for admission the child's emotional difficulties cannot adversely impact the child's ability to learn and cannot be the child's primary or major handicapping condition.

5. Orthopedic Problems: Applicants with orthopedic problems may be accepted into MSD providing they are ambulatory or able to move freely about the school in braces or in a self-propelled wheelchair. Orthopedic problems must be a secondary handicap to the child's deafness.

6. Vision: Visually handicapped deaf and hard of hearing children/youth can be served by MSD provided that their visual limitations do not preclude the use of normal visual media found in classrooms for deaf children/youth. Partially sighted individuals who wear corrective glasses that permit them to function visually within normal limits would qualify for admission. Deaf and hard of hearing applicants who need special provisions such as braille or tactile manual communication would be referred to the Deaf-Blind Unit of the Maryland School for the Blind in Overlea, Maryland, and their LEA.

7. Neurological Disorders: Deaf and hard of hearing applicants who are diagnosed as having aphasia (receptively, expressively or mixed), brain injury, central processing disorders, or an auditory processing disorder are not eligible for admission to MSD. While it is understood that deaf children/youth with supplemental neurological problems may evidence aphasic-like language deficiencies and characteristics, to meet admission criteria they should have the ability to progress linguistically and academically through the visual modality.

8. Medical Conditions: Applicants who have special medical conditions can be served by MSD provided that their medical conditions do not preclude participation in the programs at MSD. Applicants who need special provisions for their medical conditions would be referred to their LEA.

C. MSD Deaf Students With Special Needs (DSN) Program:

1. Age: Applicants between four years of age and twenty years of age on or before December 31 of a given school year are eligible for an admissions evaluation. In addition to age, applicants must demonstrate physical maturity with age appropriate school readiness skills (i.e., independent dressing, feeding, mobility, self-help and hygiene skills, and ability to communicate basic needs) to be eligible for consideration for admission to the MSD DSN Program.

The age range of children/youth in the DSN program is 4-16 years of age at the Columbia Campus and 16-21 years of age at the Frederick Campus. The basic goal of the DSN Program is that through the provision of additional services and therapies, the child/youth will be able to transfer into MSD's Essential Curriculum Program. It is expected that most children/youth will experience at least two years in this program before enrollment into the Essential Curriculum Program is considered.

2. Hearing Status: Applicants for admission must have valid audiological testing by a qualified examiner. This testing should indicate a hearing level of 70dB or greater, preference is given to applicants with a sensorineural loss. Hard of hearing students will be considered for admission under the following conditions: familial deafness, progressive hearing loss, or educational, psychological, or social difficulties which are sufficient to significantly compromise the understanding of spoken information and require learning primarily through the visual modality.

Applicants not eligible for enrollment include:

- a. Those who are aphasic.
- b. Those who have Central Auditory Processing Disorders.
- c. Those who are hearing/auditory learners.
- d. Those who are mute only.
- e. Those who have diminished hearing level in one ear only.

3. Intellectual Functioning: Deaf and hard of hearing applicants must have a performance IQ of at least 50-55 (Mild Mental Retardation)². Applicants beyond the age of 14 years must have an performance IQ of 70 or better. Applicants should appear to have the potential to learn in an educational setting, to acquire American Sign Language, and to acquire the English language primarily through reading and writing. In determining intellectual functioning, other factors may be considered in addition to the applicant's performance on nonverbal measures of cognition and adaptive behavior scales. Other adaptive and life skills factors which may be considered in determining the applicant's intellectual abilities include: the applicant's developmental history, educational history, achievement to date, motor skills, communication ability, and social and emotional maturity.

4. Emotional Handicaps: Deaf and hard of hearing applicants who are "seriously emotionally disturbed" as defined by the Maryland State Department of Education in Code of Maryland Regulations (COMAR) 13A.05.01.02B(12)(h)¹ are not eligible for admission to MSD. According to this definition, a child is seriously emotionally disturbed if he or she exhibits one

or more of the following characteristics over a long period of time and to a marked degree, which adversely affects educational performance:

- a. an inability to learn which cannot be explained by intellectual, sensory, or health factors;
- b. an inability to build or maintain satisfactory interpersonal relationships with peers and teachers;
- c. inappropriate types of behavior or feelings under normal circumstances;
- d. a general pervasive mood of unhappiness or depression and;
- e. a tendency to develop physical symptoms or fears associated with personal or school problems."

While it is not unusual for a deaf child with special needs to have an overlay of emotional problems, to be eligible for admission the child's emotional difficulties cannot adversely impact the child's ability to learn and cannot be the child's primary or major handicapping condition.

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6. Vision: Visually handicapped deaf and hard of hearing children/youth can be served by MSD provided that their visual limitations do not preclude the use of normal visual media found in classrooms for deaf children/youth. Partially sighted individuals who wear corrective glasses that permit them to function visually within normal limits would qualify for admission. Deaf and hard of hearing applicants who need special provisions such as braille or tactile manual communication would be referred to the Deaf-Blind Unit of the Maryland School for the Blind in Overlea, Maryland, and their LEA.

7. Neurological Disorders: Deaf and hard of hearing applicants who are diagnosed as having aphasia (receptively, expressively or mixed), brain injury, central processing disorders, or an auditory processing disorder are not eligible for admission to MSD. While it is understood that deaf children/youth with supplemental neurological problems may evidence aphasic-like language deficiencies and characteristics, to meet admission criteria they should have the ability to progress linguistically and academically through the visual modality.

8. Medical Conditions: Applicants who have special medical conditions can be served by MSD provided that their medical conditions do not preclude participation in the programs at MSD. Applicants who need special provisions for their medical conditions would be referred to their LEA.

IV. MSD DOES NOT SERVE DEAF AND HARD OF HEARING STUDENTS WHO:

1. are in need of 24-hour medical care
2. need a 24 hour psychiatric treatment program, including those who:
 - a. exhibit arson tendencies
 - b. are psychotic or sociopathic
 - c. are chronic substance abusers

- d. are a danger to themselves or others, or
 - e. need one-to-one supervision
3. need a custodial program, including those who exhibit the following:
- a. moderate, severe, and profound retardation²
 - b. the need of one-to-one supervision and/or care
 - c. lack of self-help skills including the inability to:
 - i. learn simple mobility patterns around campus
 - ii. communicate basic needs to staff members
 - iii. respond appropriately to life-threatening situations
 - iv. function in a group setting
 - v. demonstrate the potential to eat and dress without assistance
 - vi. function on a general developmental age of four years old or above, or
 - vii. otherwise attend to personal care/hygiene needs, i.e. one to one care is required
4. exhibit severe acting out/aggressive behaviors, (including sexual behaviors) including, but not limited to the following characteristics:
- a. demonstrating a danger to self or others
 - b. assaultive behavior
 - c. behavior requiring repeated contacts with law enforcement agencies, or
 - d. behavior requiring one-to-one supervision

V. APPEALS:

A parent, legal guardian, or independent student may appeal the admission decision made by the MSD Evaluation Review Team, by filing a written appeal with the Superintendent of MSD. The appeal must be filed with the Superintendent within 20 calendar days of notification of decision by the MSD Evaluation Review Team. Upon receipt of the written appeal, the Superintendent shall review all documentation and render a decision within 20 calendar days.

A parent, legal guardian, or independent student may also appeal the Evaluation Review Team decision or may appeal the Superintendent's final decision by filing a written Request for Mediation/Due Process Hearing. Mediation and/or a Due Process Hearing will be conducted according to the requirements of applicable federal and state laws.³ Information on mediation and due process hearings as well as request forms may be obtained by contacting:

Director of Pupil Personnel Services
Maryland School for the Deaf
101 Clarke Place; P.O. Box 250
Frederick, Maryland 21705-0250
Telephone: (301) 620-8556
Fax: (301) 620-8575

REFERENCES:

1. Code of Maryland Regulations (COMAR), Maryland State Board of Education, 13A.05.01.02B(12)(h), Programs for Students with Disabilities, Revised October 1991.
2. Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM-IV), American Psychiatric Association, Washington, D.C., 1994
3. Public Agency Requirements Document, Maryland School for the Deaf Special Education Handbook, Draft, 1994.

**Approved by MSD Board of Trustees
August 16, 1996**

Appendix 6



Maryland State Department of
EDUCATION

Schools for Success

Nancy S. Grasmick
State Superintendent of Schools

200 West Baltimore Street
Baltimore, Maryland 21201
Phone (410) 767-0100
TTY/TDD (410) 333-6442

October 3, 1996

The Honorable Sue Hecht
Delegate, Legislative District 03
324 Lowe House Office Building
6 Governor Bladen Boulevard
Annapolis, Maryland 21401-1991

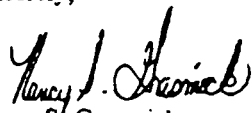
Dear Delegate Hecht:

The issues related to education funding for the Maryland School for the Deaf have complex implications for students with hearing disabilities in Maryland. As you are aware, currently primary and secondary education is funded through a combination of federal, state, and local funding. The State provides grants to support programs for the nearly 101,000 students with disabilities in Maryland, including 377 at the School for the Deaf. Please know that the Maryland State Department of Education is aware of the many funding issues concerning the Maryland School for the Deaf and the fiscal and resource challenges facing the school program.

The recently issued *Draft Report Task Force on Funding for the Maryland School for the Deaf* identified a variety of revised funding options to address issues raised regarding the fiscal 1997 budget allowance increase of 1.7% for MSD compared to the increase of 5.5% in major aid formula for the public schools. Among the options are suggestions of "guaranteed" funding which would be accomplished through varied mechanisms. The Maryland State Department of Education would support a mechanism which provides additional funding linked to an oversight role for MSDE similar to our role with the local school systems and the Maryland School for the Blind, which would include budget review and an annual agreement with the Maryland School for the Deaf. MSDE would be interested in addressing a broadening of the admissions criteria through the establishment of satellite programs or funding targeted to benefit students with hearing impairments in conjunction with other disabilities.

There are a range of students with disabilities in Maryland who could benefit from the expertise and program resources available through the School for the Deaf. We would appreciate the opportunity to work with the General Assembly to both increase the resources and broaden the scope of children in Maryland who can benefit from this resource.

Sincerely,


Nancy S. Grasmick
State Superintendent of Schools

NSG:cab

Appendix 7

FY 1998 Budget Outlook

*presentation to the workgroup on
funding of the
Maryland School for the Deaf*

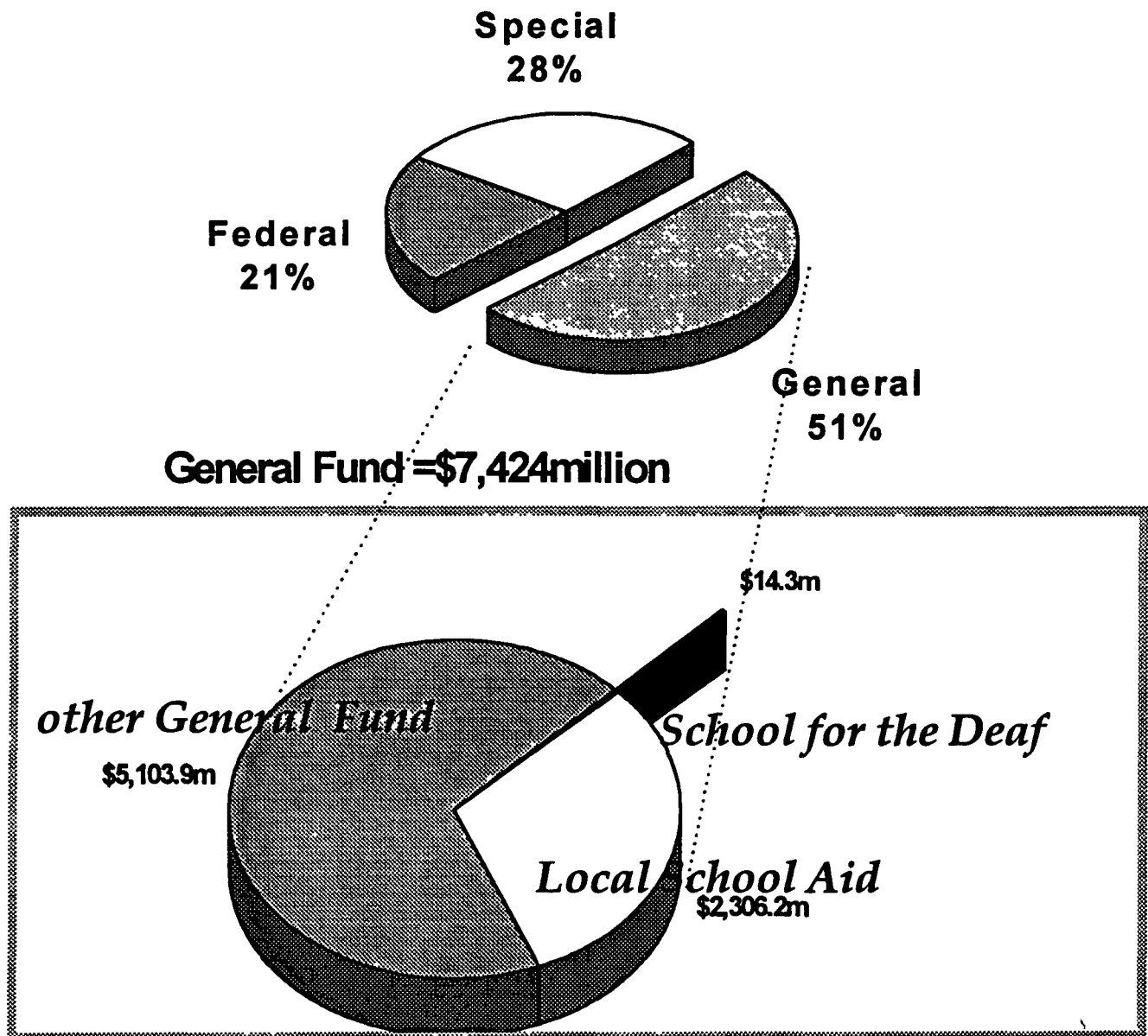
*Eloise Foster
Deputy Secretary
Maryland Department of
Budget & Management*

September 26, 1996

MSD budget in perspective

1/1,000th of total

Total FY1997 budget = \$14.6 billion



FY 1998 Revenues General Funds - \$ millions

<u>Revenue</u>	<u>FY 97 Est.</u>	<u>FY 98 Est</u>	<u>Diff.</u>	<u>% diff.</u>
Individual income tax	3,624	3,778	154	4.3%
Sales tax	2,068	2,136	68	3.3%
Corp. income tax	235	252	17	7.1%
Lottery	362	392	30	8.2%
<u>Other revenue</u>	<u>1,128</u>	<u>1,075</u>	<u>-53</u>	<u>-4.7%</u>
Total	7,418	7,633	215	2.9%

FY 1998 General Fund Outlook

\$259 million shortfall

	\$ mil.	\$ inc.
<u>Revenue</u>		
BRE Sept. Est	7,633	215
Fund balance (proj.)	13	0
Total	7,646	215
<u>Expenditures</u>		
Debt service	182	21
Local aid	2,690	189
Entitlements	1,489	88
Mandates	297	14
"Paybacks"	40	34
"Paygo" Capital	92	26
<u>Agencies</u>		
Higher Education	651	19
Public Safety-related	829	31
School for the Deaf	15	1
Other Agencies	1,549	-7
Major workload increases	14	14
Early Retirement	-20	-10
2% COLA	39	39
2% Provider/AFDC Rates	13	13
FY 97 def. carry-over	25	25
Total	7,905	496
Shortfall	259	

The combined increase in debt service, local aid, and entitlements (\$298 million) exceeds the available revenue increase.

Local Aid FY 1998 - General Funds

	<u>\$ mil.</u>	<u>\$ inc.</u>
K-12 and Libraries	2,382.6	157.0
Community Colleges	132.8	11.5
Public Safety	70.9	3.7
Local Health	42.7	1.7
Disparity Grants	60.5	15.0
	<hr/> 2,689.5	<hr/> 188.9

Education programs, including public schools, libraries and community colleges, will account for 93.5% of general fund local aid in FY 1998.

Entitlements FY 1998 - General Funds

	<u>\$ mil.</u>	<u>\$ inc.</u>
Medicaid	1,213.7	84.4
AFDC (Family Investment)	124.4	0.0
Foster Care	64.4	1.4
Property Tax Credits	62.1	1.8
TEMHA	13.7	0.0
Public Assistance-Adults	5.6	0.0
Emergency Assistance-Families	2.4	0.0
Eviction Assistance	1.0	0.0
GPA - Pregnant Women	0.9	0.0
Burial Assistance	0.7	0.0
	<hr/> 1,488.9	<hr/> 87.6

Projected growth in entitlements is almost entirely in the Medicaid program. The projected growth rate of 7.5% may be too low. Much will depend on the cost-saving success of managed care, and on the effect of any federal reforms.

Mandates FY 1998 - General Funds

	<u>\$ mil.</u>	<u>\$ inc.</u>
Judiciary	177.2	8.4
Legislature	43.9	2.1
Private Higher Education	32.3	1.2
Mandated Scholarships	13.3	0.3
St. Mary's College	12.1	0.3
Tourism	8.8	0.1
Arts Council	8.4	0.7
WIC Contingency	1.0	0.9
	<hr/> 297.0	<hr/> 14.0

Projected growth in mandates is almost entirely in the
Judiciary and Legislature budgets.

COLA Options FY 1998 General Funds

<u>Employees</u>	<u>FY 98 Cost</u>	<u>"Savings"</u>
2% COLA	39	--
2% COLA effective Jan1	19.5	19.5
\$10 million bonus pool	10	29
No COLA	0	39
 <u>Community Providers</u>		
2% COLA	10	--
2% COLA effective Jan1	5	5
No COLA	0	10
 <u>Public Assistance</u>		
2% COLA	3	--
2% COLA effective Jan1	1.5	1.5
No COLA	0	3

FY 1998 Budget Guidance to agencies

- ◆ *FY 1998 budget request equal to FY 1997 appropriation.*
- ◆ *No FY 1997 deficiencies.*
- ◆ *Budget request should not anticipate early retirement savings.*
- ◆ *Focus resources of what the agency must do, and what it does well.*

Proposed FY 1998 reductions

- ◆ *At least 7% of your FY 1997 appropriation.*
- ◆ *Emphasize reducing or eliminating programs outside agency's core mission.*
- ◆ *Proposals must be well-considered, well researched and realistic.*
- ◆ *Proposals must clearly identify the consequences of the reduction.*

Appendix 8

**MARYLAND SCHOOL FOR THE DEAF
SURVEY OF SCHOOLS FOR THE DEAF
PER-PUPIL COST -- FY1996**

	Delaware (Sterck School)	California (Riverside)	Kentucky (Danville)*	Maryland (Fred/Columbia)	Pennsylvania (Scranton)	Pennsylvania (WPSD)*	Texas (Austin)
Annual Operating Expenditures	\$ 7,207,000	\$ 18,063,834	\$ 8,400,000	\$ 14,356,262	\$ 5,697,229	\$ 9,400,000	\$ 14,701,717
Day-Student Enrollment	141	266	NA	220	65	NA	111
Residential-Student Enrollment	28	242	NA	200	65	NA	335
Total Enrollment	169	508	230	420	130	240	446
Age Range Served	0 to 21	3 to 22	0 to 21	0 to 21	2 to 21	0 to 21	0 to 22
Students with Multiple Handicaps	42	77	NA	70	26	40	50
Average Per-Pupil Cost	\$ 42,645	\$ 35,559	\$ 36,522	\$ 34,182	\$ 43,825	\$ 39,167	\$ 32,963
1995 Median Household Income By State (U.S. Census Bureau)	\$ 34,928	\$ 37,009	\$ 29,810	\$ 41,041	\$ 34,524	\$ 34,524	\$ 32,039

* Information collected by DFS (FY97 data)

Schools Surveyed Not Responding:

Arizona School for the Deaf (Tucson)

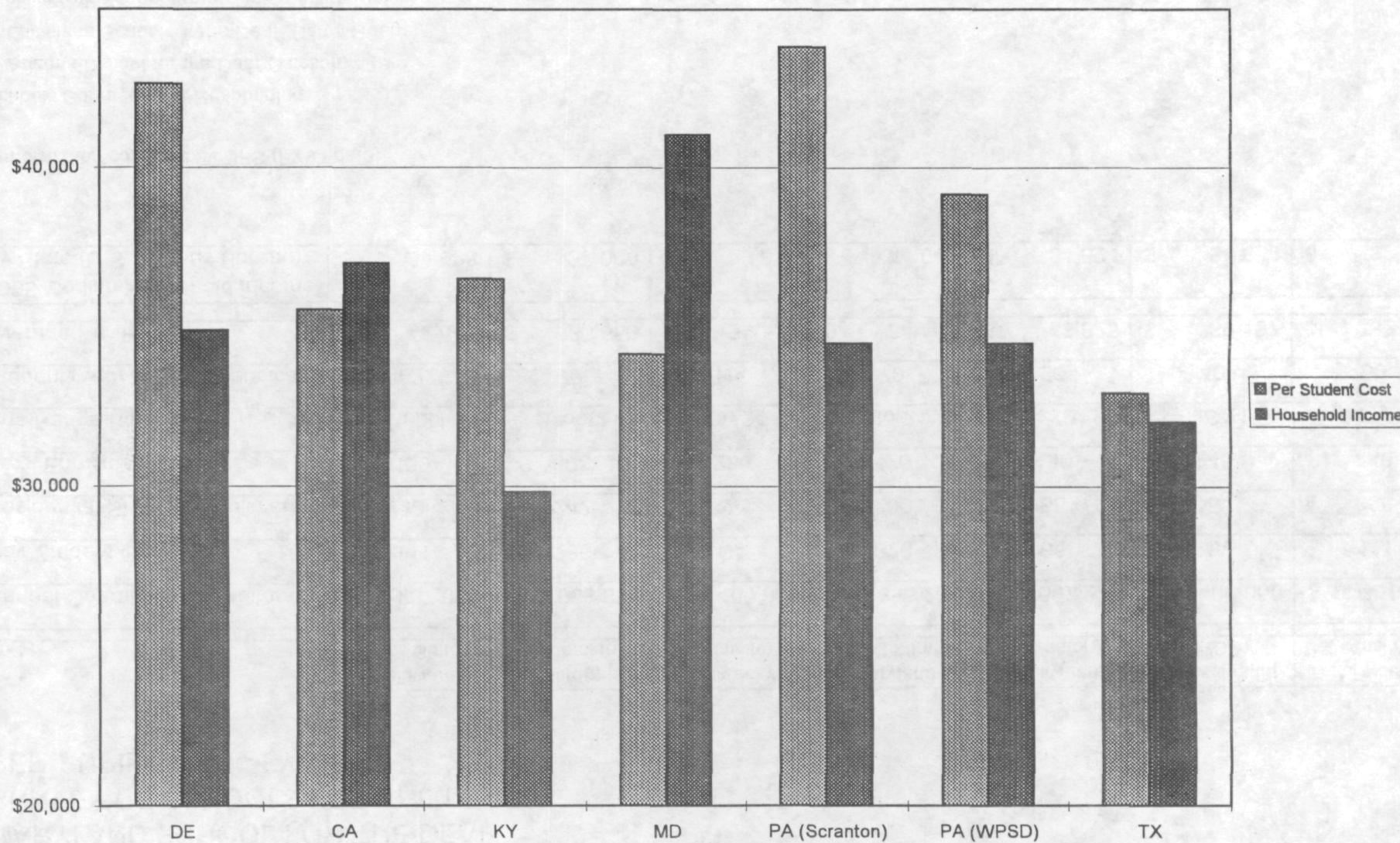
Louisiana School for the Deaf (Baton Rouge)

New York School for the Deaf (White Plains)

Lexington School for the Deaf (NY)

Virginia School for the Deaf & Blind (Staunton)

COMPARISON OF PER STUDENT COST WITH HOUSEHOLD INCOME



Appendix 9

Funding Models in Neighboring States Primary/Secondary Education for Children who are Deaf or Hard of Hearing

Connecticut

The State of Connecticut provides a line item appropriation to the American School for the Deaf, a private institution. In return, deaf children in Connecticut may attend the school free of charge. The amount appropriated to the American School for the Deaf is arbitrary. According to the executive director, the current appropriation covers approximately 60% of the cost for educating a deaf student. The deficiency is made up through endowments and out-of-state tuition.

In addition, the American School for the Deaf receives some local aid for serving students who are multi-disabled or emotionally disturbed. The local school districts must pay the difference between the full-cost of educating a deaf student and the cost of educating a multi-disabled student and must pay the full cost for educating an emotionally disturbed student.

75

New York

New York had one state-operated school for deaf children and eight state-supported schools. The state-supported schools are privately owned. All schools are funded completely with state funds with no local support other than transportation costs. The state's appropriation is at the discretion of the legislature.

North Carolina

North Carolina's state-operated schools for the deaf are funded entirely by the state with no local contributions. State funding is calculated based on the previous year's base budget with certain line item adjustments for inflation. This level of funding is a guaranteed base. In addition, the Governor and the legislature may appropriate additional funds.

Pennsylvania

Pennsylvania provides education to primary and secondary children with hearing disabilities through state-owned facilities or state-chartered facilities. The state-chartered facilities are privately owned.

State-owned facilities receive a line item appropriation from the Governor and the legislature just as any other state agency. State-chartered facilities receive funds from the state and the local school districts. The state's appropriation is equal to 80% of the school's "audited" costs and the local school district's appropriation is equal to 20% of the school's "audited" costs.

Virginia

76 Virginia operates two schools for the deaf. One serves deaf and blind students and the other serves deaf, blind, and multi-disabled students. The state provides an appropriation to the schools for the deaf which is not formula driven. In fact, in recent years, the schools have faced budget cuts. The local school districts must pay a minimum tuition for students attending the state facilities based on a formula driven by enrollment. At present, the local school districts are contributing between \$1,000 and \$3,000 per student. In addition, the local school districts provide transportation costs from the "drop-off point" to the student's door and provide some transportation costs to parents traveling to state facilities.

West Virginia

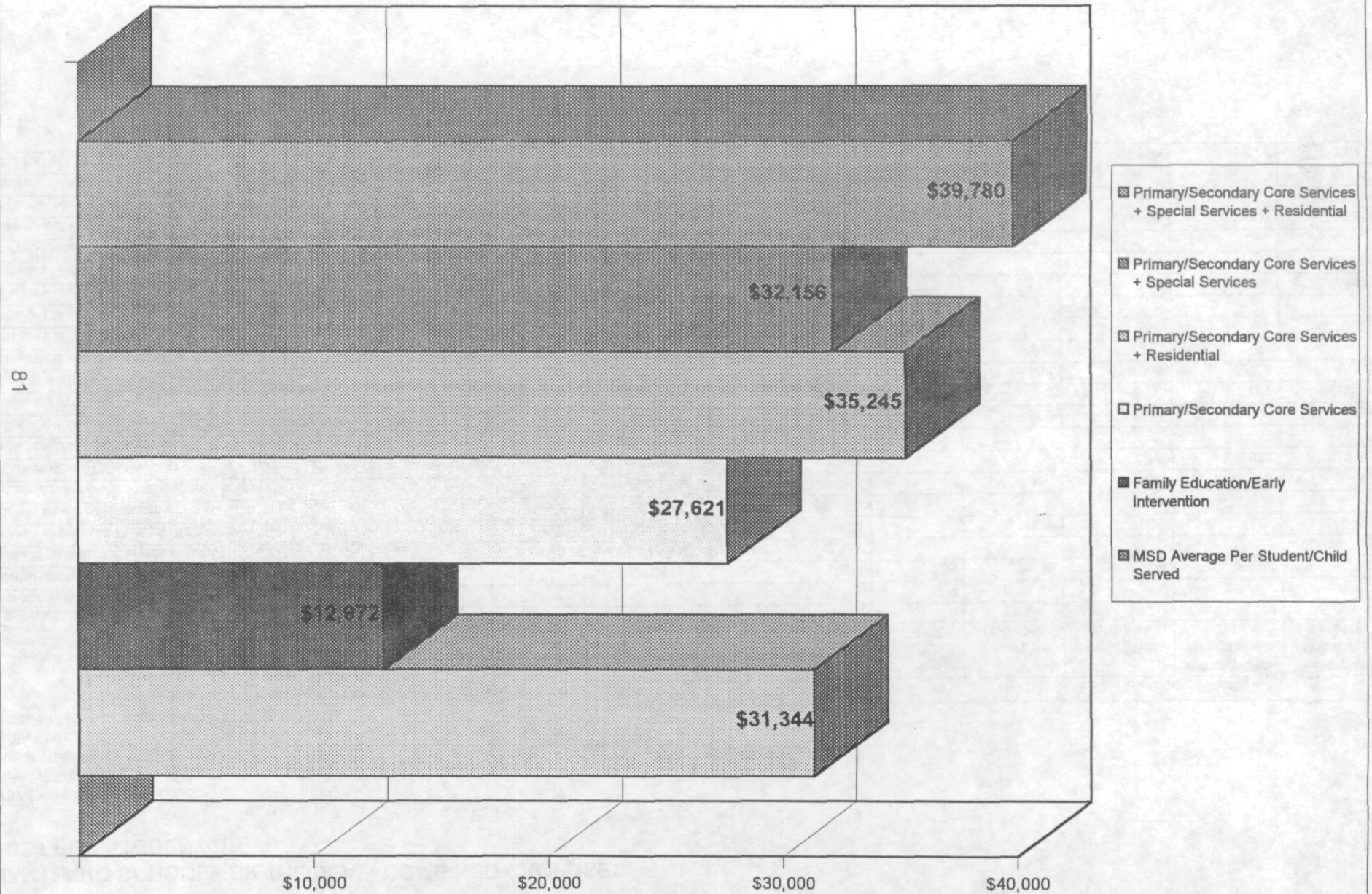
West Virginia has a state-operated school for the deaf which is funded through legislative appropriations. The school submits a budget to the state which includes a guaranteed base level of funding driven by enrollment. The school also receives additional appropriations just like any other state agency. (The current level of state funding for the school for the deaf far exceeds the mandatory base.) The local school districts do not provide funding.

Cost Containment and Alternative Funding Initiatives Developed by Schools for the Deaf in the Neighboring States

- Privatization of certain functions (e.g. maintenance, laundry, security, and food services)
- Busing all students home every weekend
- Leasing under-utilized space to other state departments and local governments
- Greater reliance on capital budgeting.

Appendix 10

MSD COST PER STUDENT PROFILES



**MARYLAND SCHOOL FOR THE DEAF--COMBINED CAMPUSES
COST PER STUDENT DATA**

FY97 Enrollment (Estimated):

Primary/Secondary Day--150

Primary/Secondary Residential--205

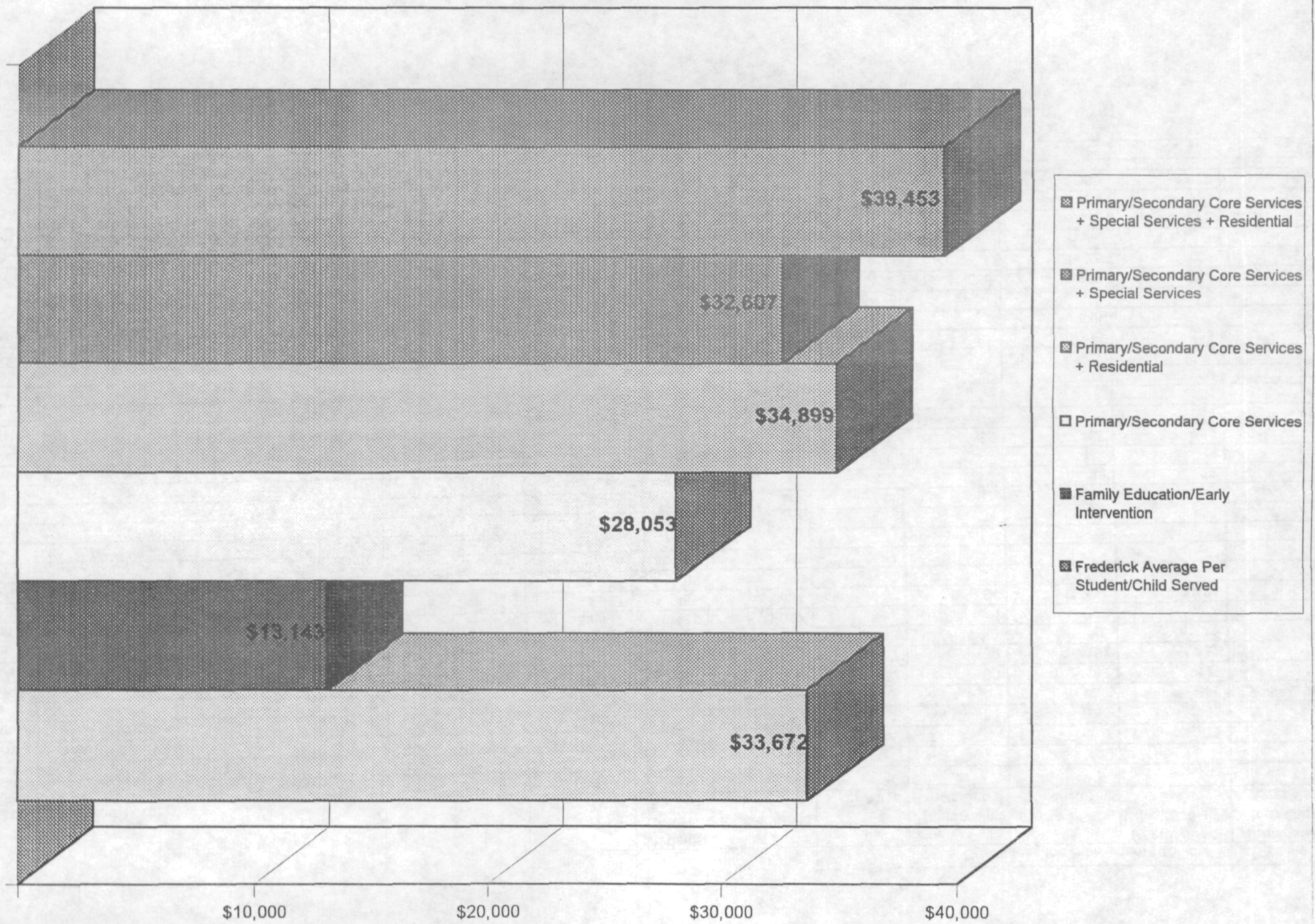
FE/EI--100

Total Students/Children Served--455

	Cost Allocation By Student Profile							
	FY97 Appropriation	Students/ Children Served	Cost Per Student/Child Served	FE/EI	Primary/Sec- Instr Only	Primary/Sec- Instr/Res	Primary/Sec- Instr/Other Svcs	Primary/Sec- Instr/Other Svcs/Res
	(A)	(B)	(A/B)					
Personnel Costs [# Auth FTE PINs]:								
Administration (Includes Superintendent's Office) [20.0]	1,003,646	455	2,206	2,206	2,206	2,206	2,206	2,206
Student Support Services [21.0]	1,047,942	355	2,952					
Day Nurses--All Primary/Secondary	209,000	355	589		589	589	589	589
Night Nurses--Residential	152,000	205	741			741		741
Assessments--All Primary/Secondary	130,788	355	368		368	368	368	368
Counselling--Clients	523,154	185	2,828				2,828	2,828
Audiology/Speech Services [10.5]	546,360	455	1,201					
Aud/Comm--All Students/Children	273,180	455	600	600	600	600	600	600
Weekly Speech Therapy	273,180	160	1,707				1,707	1,707
Instruction (Primary, Secondary) [119.5]	5,860,359	355	16,508		16,508	16,508	16,508	16,508
Instruction (FE/EI) [18.5]	864,689	100	8,647	8,647				
Residential [51.0]	1,549,376	205	7,558			7,558		7,558
Dietary [16.0]	407,150	355	1,147					
Dietary--All Prim/Sec	203,575	355	573		573	573	573	573
Dietary--Res Only	203,575	205	993			993		993
Maintenance [39.0]	1,217,816	455	2,677					
Maint--All Prim/Sec	1,029,396	355	2,900		2,900	2,900	2,900	2,900
Maint--Res	173,028	205	844			844		844
Maint--FE/EI	15,393	100	154	154				
Total Personnel [295.5]	12,497,338	455	27,467	11,607	23,744	33,880	28,279	38,415

Combined Campuses (cont)	Cost Allocation By Student Profile							
	FY97 Appropriation	Students/ Children Served	Cost Per Student/Child Served	FE/EI	Primary/Sec- Instr Only	Primary/Sec-- Instr/Res	Primary/Sec-- Instr/Other Svcs	Primary/Sec-- Instr/Other Svcs/Res
	(A)	(B)	(A/B)					
Non-Personnel Cost:								
Medical/Therapy Support Services	105,722	355	298					
Physician--All Primary/Secondary	18,900	355	53		53	53	53	53
Counseling, OT/PT--Clients	86,822	185	469				469	469
Other Support Services (e.g., Interpreters, Training, Substitute Teachers)	62,847	455	138	138	138	138	138	138
Communications (Postage, Telephone, Data)	82,755	455	182	182	182	182	182	182
Travel	5,975	455	13	13	13	13	13	13
Utilities and Heating Fuel	599,437	455	1,317					
Utilities--All Prim/Sec	508,987	355	1,434		1,434	1,434	1,434	1,434
Utilities--Res	81,728	205	399			399		399
Utilities--FE/EI	8,724	100	87	87				
Vehicles	67,881	455	149					
Primary/Sec	33,292	355	94		94	94	94	94
FE/EI	24,406	100	244	244				
Maint	10,182	455	22	22	22	22	22	22
Facility Repairs & Maintenance Services	203,276	455	447					
Repairs--All Prim/Sec	172,246	355	485		485	485	485	485
Repairs--Res	28,252	205	138			138		138
Repairs--FE/EI	2,779	100	28	28				
Instructional Supplies	131,700	455	289	289	289	289	289	289
Food and Dietary Supplies	237,923	355	670					
Food--All Prim/Sec	118,962	355	335		335	335	335	335
Food--Res Only	118,962	205	580			580		580
Maintenance and Other Supplies	108,300	455	238					
Maint Sup--All Prim/Sec	91,607	355	258		258	258	258	258
Maint Sup--Res	15,294	205	75			75		75
Maint Sup--FE/EI	1,400	100	14	14				
Replacement Equipment	100,880	455	222	222	222	222	222	222
Other	57,471	455	126	126	126	126	126	126
Total Non-Personnel	1,764,167	455	3,877	1,365	3,877	1,365	3,877	1,365
Total	14,261,505	455	31,344	12,972	27,621	35,245	32,156	39,780

FREDERICK CAMPUS COST PER STUDENT PROFILES



MARYLAND SCHOOL FOR THE DEAF--FREDERICK CAMPUS **COST PER STUDENT DATA**

FY97 Enrollment (Estimated):

Primary/Secondary Day--75

Primary/Secondary Residential--175

FE/EI--35

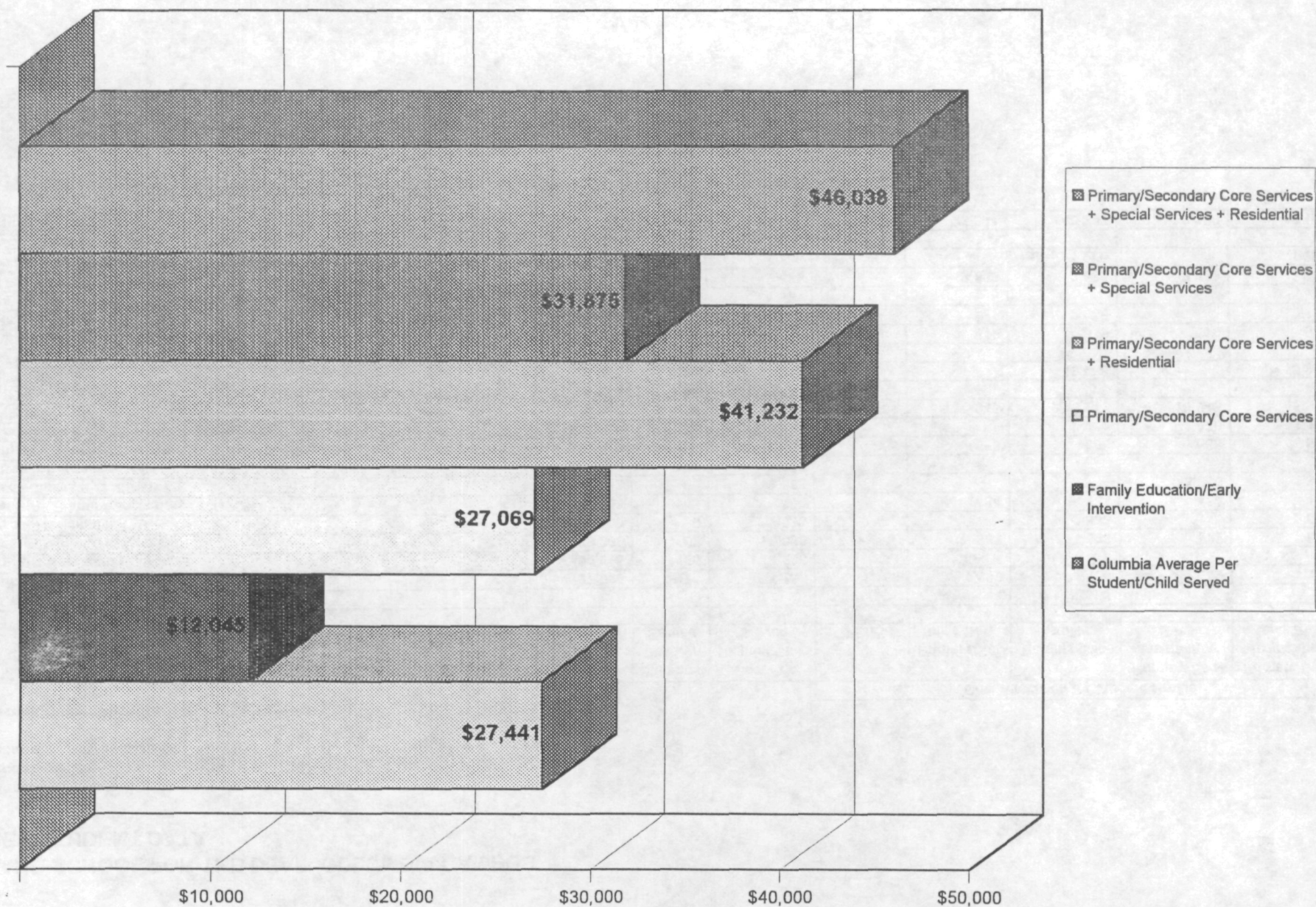
Total Students/Children Served--285

85

	FY97 Appropriation (A)	Students/ Children Served (B)	Cost Per Student/Child Served (A/B)	Cost Allocation By Student Profile				
				FE/EI	Primary/Sec- Instr Only	Primary/Sec- Instr/Res	Primary/Sec- Instr/Other Svcs	Primary/Sec- Instr/Other Svcs/Res
Personnel Costs [# Auth FTE PINs]:								
Administration (Includes Superintendent's Office) [16.0]	806,551	285	2,830	2,830	2,830	2,830	2,830	2,830
Student Support Services [12.0]	597,027	250	2,388					
Day Nurses--All Primary/Secondary	121,000	250	484		484	484	484	484
Night Nurses--Residential	76,000	175	434			434		434
Assessments--All Primary/Secondary (Est. 20% of Resources)	80,005	250	320		320	320	320	320
Counselling--Clients (Est. 80% of Resources)	320,022	125	2,560				2,560	2,560
Audiology/Speech Services [6.5]	319,104	285	1,120					
Aud/Comm--All Students/Children (Est. 50% of Resources)	159,552	285	560	560	560	560	560	560
Weekly Speech Therapy (Est. 50% of Resources)	159,552	80	1,994				1,994	1,994
Instruction (Primary, Secondary) [81.0]	4,081,312	250	16,325		16,325	16,325	16,325	16,325
Instruction (FE/EI) [7.0]	267,745	35	7,650	7,650				
Residential [40.0]	1,220,324	175	6,973			6,973		6,973
Dietary [11.0]	277,186	250	1,109					
Dietary--All Prim/Sec (Est. 50%)	138,593	250	554		554	554	554	554
Dietary--Res Only (Est. 50%)	138,593	175	792			792		792
Maintenance [28.0]	896,343	285	3,145					
Maint--All Prim/Sec (84% Based on SqFt)	752,929	250	3,012		3,012	3,012	3,012	3,012
Maint--Res (15% Based on SqFt)	134,451	175	768			768		768
Maint--FE/EI (1% Based on SqFt)	8,963	35	256	256				
Total Personnel [201.5]	8,465,592	285	29,704	11,296	24,085	33,052	28,639	37,608

Frederick Campus (cont)	FY97 Appropriation	Students/ Children Served	Cost Per Student/Child Served	Cost Allocation By Student Profile				
				FE/EI	Primary/Sec- Instr Only	Primary/Sec- Instr/Res	Primary/Sec- Instr/Other Svcs	Primary/Sec- Instr/Other Svcs/Res
	(A)	(B)	(A/B)					
Non-Personnel Cost:								
Medical/Therapy Support Services	44,500	250	178					
Physician--All Primary/Secondary	8,900	250	36		36	36	36	36
Counselling, OT/PT--Clients	35,600	125	285				285	285
Other Support Services (e.g., Interpreters, Training, Substitute Teachers)	57,847	285	203	203	203	203	203	203
Communications (Postage, Telephone, Data)	54,955	285	193	193	193	193	193	193
Travel	4,775	285	17	17	17	17	17	17
Utilities and Heating Fuel	326,510	285	1,146					
Utilities--All Prim/Sec (84% Based on SqFt)	274,269	250	1,097		1,097	1,097	1,097	1,097
Utilities--Res (15% Based on SqFt)	48,977	175	280			280		280
Utilities--FE/EI (1% Based on SqFt)	3,265	35	93	93				
Vehicles	54,919	285	193					
Primary/Sec (50%)	27,460	250	110		110	110	110	110
FE/EI (35%)	19,222	35	549	549				
Maint (15%)	8,238	285	29	29	29	29	29	29
Facility Repairs & Maintenance Services	128,628	285	451					
Repairs--All Prim/Sec (84% Based on SqFt)	108,049	250	432		432	432	432	432
Repairs--Res (15% Based on SqFt)	19,294	175	110			110		110
Repairs--FE/EI (1% Based on SqFt)	1,286	35	37	37				
Instructional Supplies	87,000	285	305	305	305	305	305	305
Food and Dietary Supplies	181,560	250	726					
Food--All Prim/Sec (50%)	90,780	250	363		363	363	363	363
Food--Res Only (50%)	90,780	175	519			519		519
Maintenance and Other Supplies	76,600	285	269					
Maint Sup--All Prim/Sec (84% Based on SqFt)	64,345	250	257		257	257	257	257
Maint Sup--Res (15% Based on SqFt)	11,490	175	66			66		66
Maint Sup--FE/EI (1% Based on SqFt)	766	35	22	22				
Replacement Equipment	60,310	285	212	212	212	212	212	212
Other	53,294	285	187	187	187	187	187	187
Total Non-Personnel	1,130,898	285	3,968	1,847	3,968	1,847	3,968	1,847
Total	9,596,490	285	33,672	13,143	28,053	34,899	32,607	39,453

COLUMBIA CAMPUS COST PER STUDENT PROFILES



**MARYLAND SCHOOL FOR THE DEAF--COLUMBIA CAMPUS
COST PER STUDENT DATA**

FY97 Enrollment (Estimated):

Primary/Secondary Day--75

Primary/Secondary Residential--30

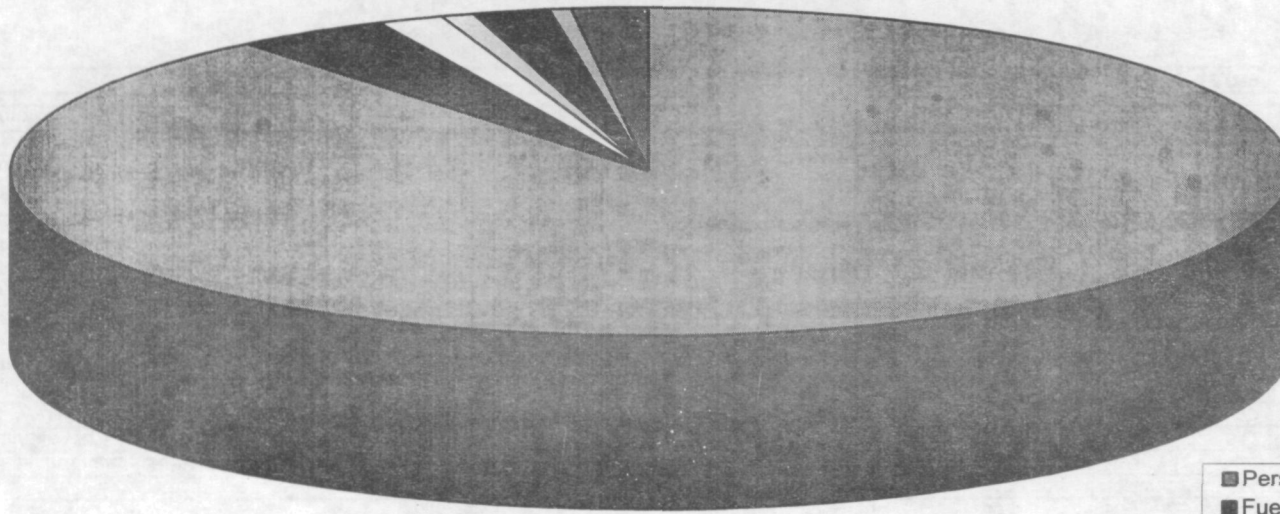
FE/EI--65

Total Students/Children Served--170

	Cost Allocation By Student Profile							
	FY97 Appropriation (A)	Students/ Children Served (B)	Cost Per Student/Child Served (A/B)	FE/EI	Primary/Sec- Instr Only	Primary/Sec- Instr/Res	Primary/Sec- Instr/Other Svcs	Primary/Sec- Instr/Other Svcs/Res
Personnel Costs [# Auth FTE PINs]:								
Administration [4.0]	197,095	170	1,159	1,159	1,159	1,159	1,159	1,159
Student Support Services [9.0]	450,915	105	4,294					
Day Nurses--All Primary/Secondary	88,000	105	838		838	838	838	838
Night Nurses--Residential	76,000	30	2,533			2,533		2,533
Assessment--All Primary/Secondary (Est. 20%)	50,783	105	484		484	484	484	484
Counselling--Clients (Est. 80%)	203,132	60	3,386				3,386	3,386
Audiology/Speech Services [4.0]	227,256	170	1,337					
Aud/Comm--All Students/Children (Est. 50% of Resources)	113,628	170	668	668	668	668	668	668
Weekly Speech Therapy (Est. 50% of Resources)	113,628	80	1,420				1,420	1,420
Instruction (Primary, Secondary) [38.5]	1,779,047	105	16,943		16,943	16,943	16,943	16,943
Instruction (FE/EI) [11.5]	596,944	65	9,184	9,184				
Residential [11.0]	329,052	30	10,968			10,968		10,968
Dietary [5.0]	129,964	105	1,238					
Dietary--All Prim/Sec (Est. 50%)	64,982	105	619		619	619	619	619
Dietary--Res Only (Est. 50%)	64,982	30	2,166			2,166		2,166
Maintenance [11.0]	321,473	170	1,891					
Maint--All Prim/Sec (86% Based on SqFt)	276,467	105	2,633		2,633	2,633	2,633	2,633
Maint--Res (12% Based on SqFt)	38,577	30	1,286			1,286		1,286
Maint--FE/EI (2% Based on SqFt)	6,429	65	99	99				
Total Personnel [94.0]	4,031,746	170	23,716	11,110	23,344	40,297	28,150	45,103

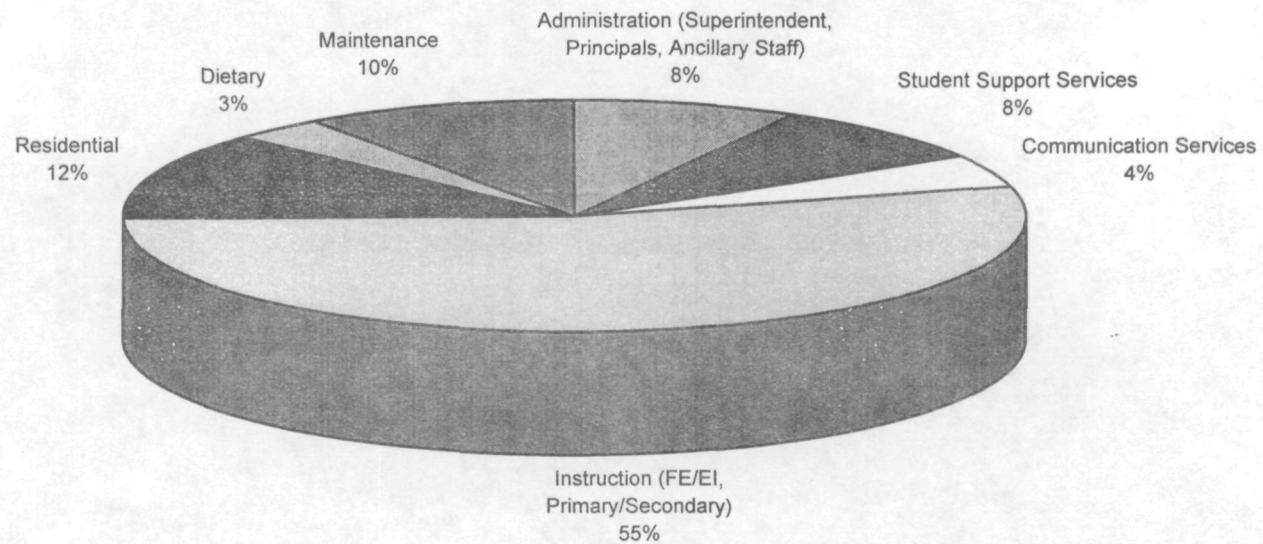
Columbia Campus (cont)	FY97 Appropriation (A)	Students/ Children Served (B)	Cost Per Student/Child Served (A/B)	Cost Allocation By Student Profile				
				FE/EI	Primary/Sec- Instr Only	Primary/Sec- Instr/Res	Primary/Sec- Instr/Other Svcs	Primary/Sec- Instr/Other Svcs/Res
Non-Personnel Cost:								
Medical/Therapy Support Services	61,222	105	583					
Physician--All Primary/Secondary	10,000	105	95		95	95	95	95
Counselling, OT/PT--Clients	51,222	60	854				854	854
Other Support Services (Training)	5,000	170	29	29	29	29	29	29
Communications (Postage, Telephone, Data)	27,800	170	164	164	164	164	164	164
Travel	1,200	170	7	7	7	7	7	7
Utilities and Heating Fuel	272,927	170	1,605					
Utilities--All Prim/Sec (86% Based on SqFt)	234,717	105	2,235		2,235	2,235	2,235	2,235
Utilities--Res (12% Based on SqFt)	32,751	30	1,092			1,092		1,092
Utilities--FE/EI (2% Based on SqFt)	5,459	65	84	84				
Vehicles	12,962	170	76					
Primary/Sec (45%)	5,833	105	56		56	56	56	56
FE/EI (40%)	5,185	65	80	80				
Maint (15%)	1,944	170	11	11	11	11	11	11
Facility Repairs & Maintenance Services	74,648	170	439					
Repairs--All Prim/Sec (86% Based on SqFt)	64,197	105	611		611	611	611	611
Repairs--Res (12% Based on SqFt)	8,958	30	299			299		299
Repairs--FE/EI (2% Based on SqFt)	1,493	65	23	23				
Instructional Supplies	44,700	170	263	263	263	263	263	263
Food and Dietary Supplies	56,363	105	537					
Food--All Prim/Sec (Est. 50%)	28,182	105	268		268	268	268	268
Food--Res Only (Est. 50%)	28,182	30	939			939		939
Maintenance and Other Supplies	31,700	170	186					
Maint Sup--All Prim/Sec (86% Based on SqFt)	27,262	105	260		260	260	260	260
Maint Sup--Res (12% Based on SqFt)	3,804	30	127			127		127
Maint Sup--FE/EI (2% Based on SqFt)	634	65	10	10				
Replacement Equipment	40,570	170	239	239	239	239	239	239
Other	4,177	170	25	25	25	25	25	25
Total Non-Personnel	633,269	170	3,725	935	3,725	935	3,725	935
Total	4,665,015	170	27,441	12,045	27,069	41,232	31,875	46,038

**Maryland School for the Deaf
Use of Funds
FY 1997 Appropriation**



- Personnel--88.8%
- Fuel/Utilities--4.5%
- Repairs & Other Services--1.7%
- Instructional Supplies--0.9%
- Food & Dietary Supplies--1.7%
- Equipment--0.7%
- Other--1.7%

**Maryland School for the Deaf
Personnel Cost By Department
FY1997 Appropriation**



Appendix 11

Overview of Education Funding In Maryland

- Primary and secondary education in Maryland is funded from federal, state, and local sources. In fiscal 1995 local revenues accounted for 56.4 percent of revenues for school operations. State aid comprised another 39.6 percent. A 4.0 percent share reflects the relatively small federal role in funding primary and secondary education. (See Exhibit 1.)
- Although state and federal aid accounts for about 44 percent of the funding for Maryland's public schools, the reliance on that aid varies among the counties. (See Exhibit 2.) For example, State and federal aid accounted for 21.2 percent of Montgomery County's education revenues while Baltimore City received 69.4 percent from nonlocal sources.
- The variance in the share of education revenues from State and federal aid derives from State and federal efforts to target aid to "low wealth" jurisdictions or to school systems with high proportions of students with special needs.
- The State funds the public schools through over 30 different programs. Grants for five purposes -- current expenses, compensatory programs, teachers' retirement costs, school bus transportation costs, and special education programs -- account for most of the aid: 96 percent of the estimated \$2.2 billion in fiscal 1997 State aid.
- The current expense formula is easily the largest State education aid program, distributing 62 percent of education aid in fiscal 1997. (APEX stands for Action Plan for Educational Excellence and refers to legislation enacted in 1987 which increased current expense and compensatory formula aid.)
 - The current expense formula guarantees a minimum funding level per pupil (referred to as the foundation) to be funded by the State and counties. In fiscal 1997 this minimum foundation is \$3,532. Overall the State share of the foundation is \$1,797 and the local share is \$1,735. Currently all counties appropriate amounts considerably above the local share required under the current expense formula.
 - Under the statute, the minimum foundation increases each year based on spending per pupil, exclusive of federal and State categorical aid, in the third and fourth prior years. For example, the fiscal 1997 foundation is equal to 75 percent of the average per pupil spending for fiscal 1993 and 1994. Annual increases in current expense formula aid are driven by increases in the foundation and enrollment growth.

- The current expense formula recognizes disparities in local abilities to raise revenues from local sources by providing less wealthy counties relatively more aid than more wealthy counties. Aid per student is distributed inverse to wealth per student. For example, in fiscal 1997 Worcester County, the "wealthiest county", will receive \$426 per pupil whereas Baltimore City, the "least wealthy", county will receive \$2,613 per pupil. (See Exhibit 3.)
- Current expense aid is not restricted to a specific purpose except that local school boards are required to expend in aggregate \$3.9 million of current expense formula aid for vocational education programs.
- The state also provides funds to support programs for students with disabilities. These grants recognize the additional costs associated with these programs. In fiscal 1995 the school systems reported expenditures of \$609.4 million for special education instructional costs. In 1995 about 101,000 students ages 3-21 received special education services through their local school systems. Another 1,000 (including 377 at the School for the Deaf) received services through state operated programs.
 - The special education grant formula distributes \$81.3 million to the twenty-four school systems. Each county's share of a \$70 million base grant equals what the county received under the previous formula in fiscal 1981. The remaining \$11.3 million is based on the number of special education students in each jurisdiction adjusted by county wealth. Special education formula funding has not increased since fiscal 1990.
 - If a child is placed in a nonpublic day or residential program the local school systems and the State share the cost of the placement. The counties are responsible for the local share of the basic costs of educating a nonhandicapped child plus 200 percent of total basic costs. In fiscal 1996 this base amount ranged from \$9,715 for Caroline County to \$17,423 for Montgomery County. Any costs above the base are shared between the State and local school systems on an 80% state/20% local basis. In 1995 about 2,900 students were placed in nonpublic programs.
 - Nonpublic special education programs are coordinated through both the State Department of Education and the Office of Children Youth and Families (as part of the Systems Reform Initiative). Fiscal 1997 state appropriations for special education nonpublic placements total 53.4 million. Historically these costs have grown over 15 percent per year.

Exhibit 1
Primary and Secondary Education Revenues
Fiscal Year 1995

	<u>State</u>	<u>Federal</u>	<u>Local</u> <u>Approp.</u>	<u>Other</u> <u>Local</u>	<u>Total</u>
Allegany	\$36,623,665	\$4,321,093	\$20,229,907	\$595,786	\$61,770,451
Anne Arundel	158,398,094	13,511,209	260,744,805	1,859,776	434,513,884
Baltimore City	397,625,950	57,864,146	195,554,000	5,043,904	656,088,000
Baltimore	208,363,427	21,119,580	393,345,885	13,762,644	636,591,536
Calvert	28,627,378	2,232,145	42,004,375	627,485	73,491,383
Caroline	17,171,649	1,561,420	9,582,000	378,517	28,693,586
Carroll	63,333,294	3,999,927	73,607,078	1,335,746	142,276,045
Cecil	39,676,089	2,845,457	35,039,050	669,311	78,229,907
Charles	55,955,902	4,285,492	59,050,339	2,186,413	121,478,146
Dorchester	16,258,697	2,246,249	10,670,913	1,000,676	30,176,535
Frederick	77,972,483	4,934,156	93,205,461	3,336,213	179,448,313
Garrett	16,996,724	2,089,842	10,649,426	254,342	29,990,334
Harford	94,265,043	6,278,318	94,418,475	1,269,879	196,231,715
Howard	71,957,907	3,582,476	162,339,870	8,484,552	246,364,805
Kent	6,853,045	888,637	9,874,248	145,942	17,761,872
Montgomery	168,596,556	19,991,349	694,726,962	6,163,286	889,478,153
Prince George's	327,870,138	24,678,615	376,988,091	15,112,422	744,649,266
Queen Anne's	14,123,885	1,431,428	20,192,220	278,657	36,026,190
St. Mary's	37,499,753	4,648,335	36,252,016	1,141,298	79,541,402
Somerset	11,756,801	1,931,664	6,267,395	328,623	20,284,483
Talbot	6,087,650	959,124	18,550,000	300,780	25,897,554
Washington	55,854,874	6,139,720	45,898,386	672,178	108,565,158
Wicomico	40,049,552	3,098,119	29,526,479	1,085,215	73,759,365
Worcester	6,886,139	1,665,562	30,222,320	469,997	39,244,018
Total	\$1,958,804,695	\$196,304,063	\$2,728,939,701	\$66,503,642	\$4,950,552,101

Notes:

- 1) Amounts do not include revenues for school construction, debt service, and food service.
- 2) "Other local revenues" are revenues generated by the local school system from tuition, transportation fees, investments, rentals, gifts, and other sources.
- 3) Local appropriations" represent each county's appropriation to the school system.

Source: Selected Financial Data, Part 1-Revenues, published annually by the Maryland State Department of Education.

Prepared by the Department of Fiscal Services, June 1996

Exhibit 2

Primary and Secondary Education Revenues Fiscal Year 1995 (Percent of Total)

	State	Federal	Local Approp.	Other Local
Allegany	59.3%	7.0%	32.8%	1.0%
Anne Arundel	36.5%	3.1%	60.0%	0.4%
Baltimore City	60.6%	8.8%	29.8%	0.8%
Baltimore	32.7%	3.3%	61.8%	2.2%
Calvert	39.0%	3.0%	57.2%	0.9%
Caroline	59.8%	5.4%	33.4%	1.3%
Carroll	44.5%	2.8%	51.7%	0.9%
Cecil	50.7%	3.6%	44.8%	0.9%
Charles	46.1%	3.5%	48.6%	1.8%
Dorchester	53.9%	7.4%	35.4%	3.3%
Frederick	43.5%	2.7%	51.9%	1.9%
Garrett	56.7%	7.0%	35.5%	0.8%
Harford	48.0%	3.2%	48.1%	0.6%
Howard	29.2%	1.5%	65.9%	3.4%
Kent	38.6%	5.0%	55.6%	0.8%
Montgomery	19.0%	2.2%	78.1%	0.7%
Prince George's	44.0%	3.3%	50.6%	2.0%
Queen Anne's	39.2%	4.0%	56.0%	0.8%
St. Mary's	47.1%	5.8%	45.6%	1.4%
Somerset	58.0%	9.5%	30.9%	1.6%
Talbot	23.5%	3.7%	71.6%	1.2%
Washington	51.4%	5.7%	42.3%	0.6%
Wicomico	54.3%	4.2%	40.0%	1.5%
Worcester	17.5%	4.2%	77.0%	1.2%
Total	39.6%	4.0%	55.1%	1.3%

Notes:

- 1) Amounts do not include revenues for school construction, debt service, and food service.
- 2) "Other local revenues" are revenues generated by the local school system from tuition, transportation fees, investments, rentals, gifts, and other sources.
- 3) "Local appropriations" represent each county's appropriation to the school system.

Source: Selected Financial Data, Part 1-Revenues, published annually by the Maryland State Department of Education.

Prepared by the Department of Fiscal Services, June 1996

Exhibit 3

Basic Current Expense Formula Aid - FY 1997

Foundation: \$3,532
Local Contribution Rate: 0.0073613

County	FTE Enrollment 9/30/95	Basic Program \$3,532 Times Enrollment	Wealth Base	Local Share \$3,532 Program	State Share \$3,532 Program	Per Pupil State Aid FY 1997
ALLEGANY	10,651.50	37,621,098	1,518,567,790	11,178,633	26,442,465	2,483
ANNE ARUNDEL	67,828.50	239,570,262	18,213,669,336	134,076,284	105,493,978	1,555
BALTIMORE CITY	100,501.50	354,971,298	12,553,611,632	92,410,901	262,560,397	2,613
BALTIMORE	94,675.25	334,392,983	25,257,753,546	185,929,901	148,463,082	1,568
CALVERT	12,733.75	44,975,605	2,967,808,708	21,846,930	23,128,675	1,816
CAROLINE	5,087.50	17,969,050	649,428,431	4,780,638	13,188,412	2,592
CARROLL	24,132.75	85,236,873	4,746,373,610	34,939,480	50,297,393	2,084
CECIL	13,717.50	48,450,210	2,405,541,180	17,707,910	30,742,300	2,241
CHARLES	19,907.00	70,311,524	3,920,112,245	28,857,122	41,454,402	2,082
DORCHESTER	4,795.50	16,937,706	808,054,627	5,948,333	10,989,373	2,292
FREDERICK	30,930.00	109,244,760	6,245,574,630	45,975,549	63,269,211	2,046
GARRETT	5,078.50	17,937,262	856,038,303	6,301,555	11,635,707	2,291
HARFORD	34,604.00	122,221,328	6,508,981,607	47,914,566	74,306,762	2,147
HOWARD	35,868.50	126,687,542	10,266,160,415	75,572,287	51,115,255	1,425
KENT	2,592.50	9,156,710	676,226,742	4,977,908	4,178,802	1,612
MONTGOMERY	113,105.00	399,486,860	42,743,784,887	314,649,824	84,837,036	750
PRINCE GEORGE'S	114,904.50	405,842,694	23,724,076,309	174,640,043	231,202,651	2,012
QUEEN ANNE'S	5,828.50	20,586,262	1,444,427,034	10,632,861	9,953,401	1,708
ST. MARY'S	12,944.00	45,718,208	2,386,640,962	17,568,780	28,149,428	2,175
SOMERSET	3,007.00	10,620,724	391,337,680	2,880,754	7,739,970	2,574
TALBOT	4,143.50	14,634,842	1,604,020,284	11,807,675	2,827,167	682
WASHINGTON	18,678.75	65,973,345	3,320,507,636	24,443,253	41,530,092	2,223
WICOMICO	12,971.75	45,816,221	2,068,050,875	15,223,543	30,592,678	2,358
WORCESTER	6,241.50	22,044,978	2,633,104,800	19,383,074	2,661,904	426
Total	754,928.75	\$2,666,408,345	177,909,853,269	1,309,647,803	1,356,760,542	1,797

Appendix 12

Funding for the Maryland School for the Deaf Overview of Options

Option 1: An allowance equal to the prior year's appropriation with an inflationary increase based on St. Mary's College model.

Option 2: An allowance equal to the prior year's appropriation with an inflationary increase based on St. Mary's College model with an adjustment to reflect enrollment growth at the Maryland School for the Deaf. (Note: Two projections are included (1) using four year average enrollment growth and (2) using annual enrollment growth)

Option 3: An allowance equal to the prior year's appropriation to MSD adjusted by a percentage equal to the change in current expense formula funding. (Note: The change in current expense formula funding is driven, in part, by local school enrollment changes.)

103 **Option 4:** An allowance equal to the prior year's appropriation with an inflationary adjustment equal to the change in the per pupil foundation used to calculate the current expense formula.

Option 5: An allowance equal to the per student appropriation for the prior year adjusted to reflect growth in the per pupil foundation used to calculate the current expense formula with an adjustment to reflect enrollment growth at the Maryland School for the Deaf. Option 5A applies formula growth to the fiscal 1997 appropriation. Options 5B and 5C increase the fiscal 1997 appropriation consistent with Option 7 priorities prior to applying the formula. (Note: Two projections are included (1) using four year average enrollment growth and (2) using annual enrollment growth for each option)

Option 6: Local schools must provide funding to MSD in an amount equivalent to (1) the local share of the current expense formula foundation multiplied by the number of students from the county enrolled at MSD or (2) the local contribution for special education students attending nonpublic schools multiplied by the number of students from the county enrolled at MSD.

Option 7: The fiscal 1998 allowance for MSD would be adjusted to fully fund the approved pay plan for teachers and professional staff at MSD based on the review of teacher salaries in Frederick and Howard counties.

Option 8: A minimum allowance with 50% based on mandated increases in State aid to local schools and 50% based on maintenance of effort.

Option 9: A projection of MSD appropriations based on the funding formula proposed by the task force.

Maryland School for the Deaf

Option 1: Incremental Formula Based on the St. Mary's Model Future Appropriation - Estimated

Fiscal Year	Actual Appropriation	Estimated Inflator*	Estimated Future Appropriation - Option 1	% Change	Increase
1997	\$14,263,408				
1998		2.24%	\$14,582,908	2.24%	\$319,500
1999		2.43%	\$14,937,273	2.43%	\$354,365
2000		2.63%	\$15,330,123	2.63%	<u>\$392,850</u>
				Net Effect	\$1,066,715

* Based on the Implicit Price Deflator for State Government

Prepared by the Department of Fiscal Services September, 1996

Maryland School for the Deaf

Option 2 (Four Year Average Enrollment Growth)

Based on St. Mary's College Model and Adjusted to Reflect 4-Year Enrollment at MSD

	Fiscal Year	Number of Students*	4-Year Moving Avg. Enrollment	% Growth in Enrollment	Implicit Price Deflator**	Total Appropriation	% Change Total Appr.	Increase
105	1993	375						
	1994	396						
	1995	407						
	1996	415	398					
	1997	405	406	2.01%		\$14,263,408		
	1998	413	410	0.99%	2.24%	\$14,876,032	4.30%	\$612,624
	1999	418	413	0.73%	2.43%	\$15,387,643	3.44%	\$511,611
	2000	421	414	0.24%	2.63%	\$15,907,892	3.38%	<u>\$520,249</u>
							Net Effect	\$1,644,484

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/El enrollee.

** Based on the Implicit Price Deflator for State Government

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 2 (Annual Enrollment Growth)

Based on St. Mary's College Model and Adjusted to Reflect Enrollment at MSD

Fiscal Year	Number of Students*	% Growth in Enrollment	Implicit Price Deflator**	Total Appropriation	% Change Total Appr.	Increase
1996	415					
1997	405	-2.41%		\$14,263,408		
1998	413	1.98%	2.24%	\$14,231,513	-0.22%	(\$31,895)
1999	418	1.21%	2.43%	\$14,753,820	3.67%	\$522,307
2000	421	0.72%	2.63%	\$15,250,519	3.37%	<u>\$496,699</u>
Net Effect						\$987,111

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/IE enrollee. After FY 1997 enrollment projected to grow at the same rate as growth in K-12 public school enrollment.

** Based on the Implicit Price Deflator for State Government

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 3

Simulated Appropriation Based on Growth in Current Expense Appropriations

Fiscal Year	Est. Growth in Current Expense Formula Aid	Appropriation Based on Growth in Current Expense Appropriations	Increase in Appropriation
1997		\$14,263,408	
1998	7.5%	\$15,333,164	\$1,069,756
1999	5.1%	\$16,115,155	\$781,991
2000	3.1%	\$16,614,725	\$499,570
2001	3.9%	\$17,262,699	\$647,974
2002	4.2%	\$17,987,732	\$725,033
2003	3.7%	\$18,653,278	\$665,546

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Prepared by the Department of Fiscal Services September, 1996

Maryland School for the Deaf

Option 4

Simulated Appropriation Based on Growth in Per Pupil Foundation

Fiscal Year	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
1997		\$14,263,408		
1998	5.3%	\$15,019,369	5.3%	\$755,961
1999	3.2%	\$15,499,988	3.2%	\$480,620
2000	1.8%	\$15,778,988	1.8%	\$279,000
2001	3.0%	\$16,252,358	3.0%	\$473,370
2002	3.8%	\$16,869,947	3.8%	\$617,590
2003	3.5%	\$17,460,396	3.5%	\$590,448

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 5A (Four Year Average Enrollment Growth)

Simulated Appropriation Based on Growth in Enrollment and Growth in Per Pupil Foundation

	Fiscal Year	Number of Students*	4 yr. Moving Average of Enrollment	% Growth in Enrollment	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
109	1993	375						
	1994	396						
	1995	407						
	1996	415	398					
	1997	405	406	2.01%		\$14,263,408		
	1998	413	410	0.99%	5.3%	\$15,306,070	7.3%	\$1,042,662
	1999	418	413	0.73%	3.2%	\$15,946,663	4.2%	\$640,593
	2000	421	414	0.24%	1.8%	\$16,350,386	2.5%	\$403,723
	2001	424	419	1.21%	3.0%	\$16,880,487	3.2%	\$530,101
	2002	425	422	0.72%	3.8%	\$17,725,816	5.0%	\$845,329
	2003	425	424	0.47%	3.5%	\$18,473,135	4.2%	\$747,319

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/EI enrollee.

* After FY 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment.

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 5A (Annual Enrollment Growth)

Simulated Appropriation Based on Growth in Enrollment and Growth in
Per Pupil Foundation

	Fiscal Year	Number of Students*	% Growth in Enrollment	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
110	1993	375					
	1994	396					
	1995	407					
	1996	415					
	1997	405	-2.41%		\$14,263,408		
	1998	413	1.98%	5.3%	\$14,675,672	2.9%	\$412,264
	1999	418	1.21%	3.2%	\$15,435,183	5.2%	\$759,511
	2000	421	0.72%	1.8%	\$15,899,883	3.0%	\$464,700
	2001	424	0.71%	3.0%	\$16,490,994	3.7%	\$591,110
	2002	425	0.24%	3.8%	\$17,235,165	4.5%	\$744,171
	2003	425	0.00%	3.5%	\$17,879,044	3.7%	\$643,880

*Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/EI enrollee.

*After FY 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment.

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 5B (Four Year Average Enrollment Growth)

Simulated Appropriation Based on Growth in Enrollment, Growth in Per Pupil Foundation,
and Including \$384,643 From FY 1998 Requested Appropriation

	Fiscal Year	Number of Students*	4 yr. Moving Average of Enrollment	% Growth in Enrollment	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
111	1993	375						
	1994	396						
	1995	407						
	1996	415	398					
	1997	405	406	2.01%		\$14,263,408		
	1998	413	410	0.99%	5.3%	\$15,718,831	10.2%	\$1,455,423
	1999	418	413	0.73%	3.2%	\$16,376,699	4.2%	\$657,868
	2000	421	414	0.24%	1.8%	\$16,791,309	2.5%	\$414,610
	2001	424	419	1.21%	3.0%	\$17,335,705	3.2%	\$544,396
	2002	425	422	0.72%	3.8%	\$18,203,830	5.0%	\$868,125
	2003	425	424	0.47%	3.5%	\$18,971,302	4.2%	\$767,472

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/EI enrollee.

*After 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment

\$384,643 represents the faculty pay adjustment funding request.

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 5B (Annual Enrollment Growth)

Simulated Appropriation Based on Growth in Enrollment, Growth in Per Pupil Foundation
and Including \$384,643 From FY 1998 Requested Appropriation

	Fiscal Year	Number of Students*	% Growth in Enrollment	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
112	1993	375					
	1994	396					
	1995	407					
	1996	415					
	1997	405	-2.41%		\$14,263,408		
	1998	413	1.98%	5.3%	\$15,071,433	5.7%	\$808,025
	1999	418	1.21%	3.2%	\$15,851,426	5.2%	\$779,993
	2000	421	0.72%	1.8%	\$16,328,657	3.0%	\$477,232
	2001	424	0.71%	3.0%	\$16,935,708	3.7%	\$607,051
	2002	425	0.24%	3.8%	\$17,699,947	4.5%	\$764,239
	2003	425	0.00%	3.5%	\$18,361,191	3.7%	\$661,243

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/EI enrollee.

*After 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment

\$384,643 represents the faculty pay adjustment funding request.

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 5C (Four Year Average Enrollment Growth)

Simulated Appropriation Based on Growth in Enrollment, Growth in Per Pupil Foundation,
and Including \$746,705 From 1998 Requested Appropriation

	Fiscal Year	Number of Students *	4 yr. moving average of Enrollment	% Growth in Enrollment	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
113	1993	375						
	1994	396						
	1995	407						
	1996	415	398					
	1997	405	406	2.01%		\$14,263,408		
	1998	413	410	0.99%	5.3%	\$16,107,360	12.9%	\$1,843,952
	1999	418	413	0.73%	3.2%	\$16,781,489	4.2%	\$674,129
	2000	421	414	0.24%	1.8%	\$17,206,347	2.5%	\$424,858
	2001	424	419	1.21%	3.0%	\$17,764,199	3.2%	\$557,852
	2002	425	422	0.72%	3.8%	\$18,653,782	5.0%	\$889,583
	2003	425	424	0.47%	3.5%	\$19,440,224	4.2%	\$786,442

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/El enrollee.

*After FY 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment.

The \$746,705 represents the MSD additional funding request as follows: (1) faculty pay adjustment - \$384,643; (2) reduction in turnover expectancy - \$190,553; (3) residential counselor pay adjustment - \$90,490; and (4) creation of an Office of Development - \$81,019.

Prepared by the Department of Fiscal Services September, 1996.

Maryland School for the Deaf

Option 5C (Annual Enrollment Growth)

Simulated Appropriation Based on Growth in Enrollment, Growth in Per Pupil
Foundation and Including \$746,705 From FY 1998 Requested Appropriation

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Fiscal Year	Number of Students*	% Growth in Enrollment	% Change in Foundation	Estimated Appropriation	% Change Total Appr.	Increase
1993	375					
1994	396					
1995	407					
1996	415					
1997	405	-2.41%		\$14,263,408		
1998	413	1.98%	5.3%	\$15,443,960	8.3%	\$1,180,552
1999	418	1.21%	3.2%	\$16,243,232	5.2%	\$799,273
2000	421	0.72%	1.8%	\$16,732,260	3.0%	\$489,027
2001	424	0.71%	3.0%	\$17,354,315	3.7%	\$622,056
2002	425	0.24%	3.8%	\$18,137,444	4.5%	\$783,129
2003	425	0.00%	3.5%	\$18,815,032	3.7%	\$677,588

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/El enrollee.

* After FY 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment.

The \$746,705 represents the MSD additional funding request as follows: (1) faculty pay adjustment - \$384,643; (2) reduction in turnover expectancy - \$190,553; (3) residential counselor pay adjustment - \$90,490; and (4) creation of an Office of Development - \$81,019.

Prepared by the Department of Fiscal Services September, 1996.

**Option 6: Local Governments Required to Make Contribution to
Maryland School for the Deaf**

Estimates of Local Contributions for the Maryland School for the Deaf*

	Number of Students at MSD	Local Share of Foundation	Total Revenue	Local Contribution to Nonpublic Placements**	Total Revenue
Allegany	3	\$1,049	\$3,147	\$10,402	\$31,206
Anne Arundel	30	\$1,977	59,310	\$13,034	391,020
Baltimore City	46	\$919	42,274	\$10,386	477,756
Baltimore County	49	\$1,964	96,236	\$13,575	665,175
Calvert	0	\$1,716	0	\$12,429	0
Caroline	1	\$940	940	\$9,715	9,715
Carroll	11	\$1,448	15,928	\$11,948	131,428
Cecil	3	\$1,291	3,873	\$11,604	34,812
Charles	1	\$1,450	1,450	\$12,131	12,131
Dorchester	4	\$1,240	4,960	\$10,451	41,804
Frederick	83	\$1,486	123,338	\$11,997	995,751
Garrett	3	\$1,241	3,723	\$10,618	31,854
Harford	7	\$1,385	9,695	\$11,815	82,705
Howard	23	\$2,107	48,461	\$14,389	330,947
Kent	1	\$1,920	1,920	\$15,026	15,026
Montgomery	42	\$2,782	116,844	\$17,423	731,766
Prince George's	22	\$1,520	33,440	\$12,255	269,610
Queen Anne's	0	\$1,824	0	\$13,425	0
St. Mary's	4	\$1,357	5,428	\$13,015	52,060
Somerset	3	\$958	2,874	\$11,728	35,184
Talbot	1	\$2,850	2,850	\$12,417	12,417
Washington	25	\$1,309	32,725	\$11,148	278,700
Wocomico	6	\$1,174	7,044	\$10,308	61,848
Worcester	2	\$3,106	6,212	\$15,285	30,570
Total	370		\$622,672		\$4,723,485

* Enrollment figures as of 10/95 (Do not include 0-3 year olds - approximately 50 full time equivalent students)

**Local share of basic costs plus 200% of basic costs

Source: MSDE

Option 7

Maryland School for the Deaf

FY 1998 Additional Funding Request

Priority	Description	Cost
1	Reduction to Turnover Expectancy	\$190,553
2	Residential Counselor Pay Adjustment	90,490
3	Faculty Pay Adjustment (SB 771)	384,643
4	Creation of Office of Development	81,019
Total Request		\$746,705

Maryland School for the Deaf

Option 8 (Annual Enrollment Growth)

Simulated Appropriation

50% Reflects Mandated Increases in State Aid to Local Schools and 50% Reflects Maintenance of Effort

Fiscal Year	Number of Students	% Growth in Enrollment	% Inc. in Per Pupil Current Exp.	50% Mandated Increase	50% Maintenance Of Effort	Option 8 Allowance	% Change	Difference
1996	415							
1997	405	-2.41%						
1998	413	1.98%	5.3%	\$7,328,728	\$6,959,856	\$14,288,584	0.2%	\$25,176
1999	418	1.21%	3.2%	\$7,518,547	\$7,285,414	\$14,803,961	3.6%	\$515,377
2000	421	0.72%	1.8%	\$7,626,441	\$7,491,593	\$15,118,034	2.1%	\$314,073
2001	424	0.71%	3.0%	\$7,841,666	\$7,613,268	\$15,454,935	2.2%	\$336,901
2002	425	0.24%	3.8%	\$8,078,269	\$7,782,532	\$15,860,801	2.6%	\$405,866
2003	425	0.00%	3.5%	\$8,227,323	\$7,949,104	\$16,176,427	2.0%	\$315,626

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/FI enrollee. after FY 1997 enrollment projected to grow at the same rate as growth in K-12 public school enrollment.

The "50% Mandated Increase" is based on the prior year's appropriation adjusted to reflect growth in enrollment at MSD and growth in the per pupil foundation used to calculate current expense funding.

The "50% Maintenance of Effort" is based on the prior year's appropriation adjusted to reflect growth in enrollment at MSD.

Source: Department of Fiscal Sources, October 1996.

Maryland School for the Deaf

Option 9 (Four Year Average Enrollment Growth)

Task Force Recommended Funding Formula

Simulated Appropriation Based on Growth in Enrollment and Growth in Per Pupil Foundation **

Fiscal Year	Number of Students*	4 yr. moving average of Enrollment	% Growth in Enrollment	% Change in Foundation	75% Growth in Per Pupil Foundation	25% Maintenance of Effort	Estimated Appropriation	% Change Total Appr.	Increase
1993	375								
1994	396								
1995	407								
1996	415	398							
1997	405	406	2.01%				\$14,263,408		
1998	413	410	0.99%	5.3%			\$14,563,408	***	\$300,000
1999	418	413	0.73%	3.2%	11,317,393	3,655,489	\$14,972,881	2.8%	\$409,473
2000	421	414	0.24%	1.8%	11,454,321	3,750,596	\$15,204,917	1.5%	\$232,035
2001	424	419	1.21%	3.0%	11,762,987	3,806,792	\$15,569,779	2.4%	\$364,862
2002	425	422	0.72%	3.8%	12,126,943	3,894,330	\$16,021,272	2.9%	\$451,493
2003	425	424	0.47%	3.5%	12,466,553	4,014,993	\$16,481,545	2.9%	\$460,273

* Enrollment figures reflect full-time equivalent students (FTE's) calculated as one FTE for each student K-12 and 1/2 FTE for each FE/EI enrollee.

*After FY 1997 enrollment projected to grow at same rate as growth in K-12 public school enrollment.

1 The formula provides that 75% of the prior year appropriation grows consistent with growth in per pupil foundation and enrollment growth and 25% of the prior year appropriation grows consistent with the growth in enrollment.

2 The fiscal 1998 appropriation assures a \$200,000 increase over the fiscal 1997 appropriation.

Prepared by the Department of Fiscal Services September, 1996.